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Support for Duarte Deteriorates Despite Reforms, U.S. Backing

By James LeMoynic New York Times Service SAN SALVADOR — José Napoleón Duarte was lauded at a major political demonstration recently as thousands of government workers, peasants from state-run cooperatives, and others dependent on government patronage were trucked into San Salvador for a show of his ruling Christian Democratic Party's political machine at work.

Mr. Duarte with gains in human rights, maintaining an elected government in the face of calls for a military takeover and taking politically difficult steps in an effort to stabilize the economy, including devaluing the currency last year. His critics also concede that any

after the expenditure of more than \$2.5 billion of U.S. aid and seven years of intense U.S. attention, also raises fundamental questions about the direction of American policy. The United States now provides most of the national budget. According to several political analysts and members of his party, Mr. Duarte is well aware of the depth of his own and his country's problems. Friends say he has become withdrawn, surrounding himself with political cronies.



Eberhard von Brauchitsch, top, a former executive of the Flick group, on his way to court Monday in Bonn. Hans Friderichs, left, under his umbrella before the verdict, and Otto Lambsdorff, above, after the judgment. Both men had served as minister of economics.

Gorbachev Says Domestic Needs Will Determine Foreign Policy

By Philip Taubman New York Times Service MOSCOW — Mikhail S. Gorbachev said Monday that the Soviet Union needs a period of international stability so it can turn inward to concentrate on domestic concerns. Mr. Gorbachev, addressing a national television audience and a group of foreign visitors, said: "Before my people, before you and before the world, I state with full responsibility that our international policy is more than ever determined by domestic policy, by our interest in concentrating on constructive endeavors to improve our country."

Sakharov Assails Soviet SDI Position

MOSCOW — Andrei D. Sakharov, the dissident and physicist, said at an international forum on disarmament that major arms cuts should not be deterred by U.S. research on a space-based system for missile defenses, an American scientist said Monday. Frank von Hippel, a Princeton University professor who attended a meeting of scientists during the three-day forum, said Mr. Sakharov had spoken out against the Soviet policy of linking nuclear weapons reductions and space arms development.

LATE NEWS Wall Collapse Kills 14 in India

NEW DELHI (AP) — Twelve children and two teachers were killed Monday in Punjab state when part of a two-story school wall collapsed atop their classrooms, the United News of India reported. The news agency said at least 40 children were injured, 23 of them seriously, in the collapse at the Tagore Modern Public School in Nawanshahr, 186 miles (300 kilometers) northwest of New Delhi.

INSIDE TODAY GENERAL NEWS

Jonathan Jay Pollard has been described by an Israeli paper as a master spy. Page 2. The U.S. is judging South Korea's rival political parties toward compromise. Page 3. BUSINESS/FINANCE The EC proposed a new tax on vegetable oils and fats, a move likely to provoke transatlantic trade tension. Page 7. IN TOMORROW'S HIT New details on the Reykjavik summit provide insight into a most unusual meeting of the leaders of the world's two most powerful nations.

Most Powerful Leader Quits Contra Alliance

MIAMI — Adolfo Calero Portocarrero, the most powerful of three leaders of the U.S.-backed Nicaraguan rebel alliance, resigned Monday as a director of the coalition but refused to step down as head of the largest guerrilla faction. Mr. Calero, under heavy pressure from rival rebel leaders and the Reagan administration, said at the alliance's Miami headquarters that he had decided "to present my resignation of the United Nicaraguan Opposition Directorate."

Lambsdorff, 2 Others Found Guilty Of Evading Taxes on Party Donations

By James M. Markham New York Times Service BONN — Two former West German economics ministers and the former deputy chairman of the Flick holding company were convicted Monday of income tax evasion and were cleared of charges of corruption. The outcome was a political boost for Otto Lambsdorff, who was forced to resign as economics minister in June 1984 after being indicted. A senior figure in the small Free Democratic Party, Mr. Lambsdorff

With Wave and a Smile, Demjanjuk Trial Starts

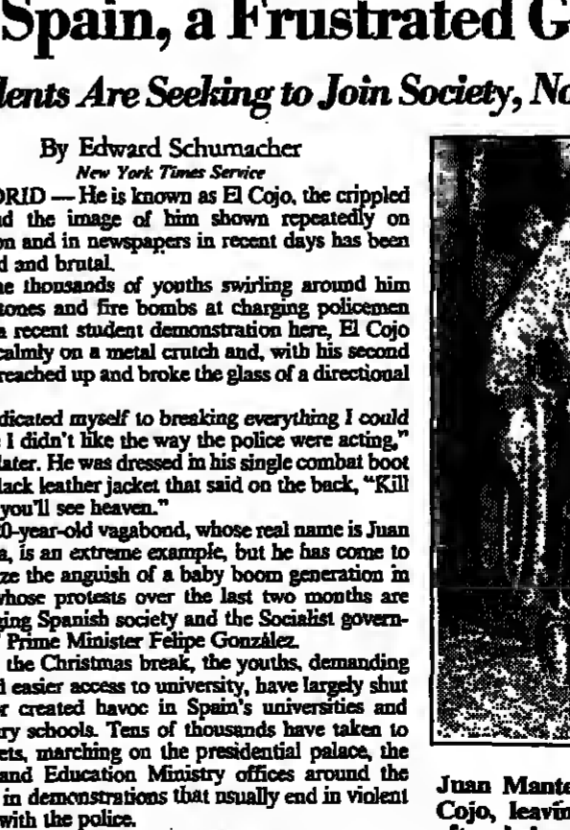
By Francis X. Clines New York Times Service JERUSALEM — This time there is no glass booth, and the defendant, the man accused of being "Ivan the Terrible" from the Treblinka death camp, entered the courtroom with a wave, a big smile, and a booming "Good morning!" spoken in Hebrew. "Boker tov!" "Hello Cleveland!" John Demjanjuk added in English, smiling, hugging his lawyer and sitting down to a trial in which he faces death by hanging and is offering a defense of mistaken identity.



John Demjanjuk waved entering court at the start of his trial in Jerusalem on Monday. His son John Jr. is at left.

In Spain, a Frustrated Generation Students Are Seeking to Join Society, Not Change It

By Edward Schumacher New York Times Service MADRID — He is known as El Cojo, the crippled one, and the image of him shown repeatedly on television and in newspapers in recent days has been both sad and brutal. As the thousands of youths swarming around him throw stones and fire bombs at charging policemen during a recent student demonstration here, El Cojo leaned calmly on a metal crutch and, with his second crutch, reached up and broke the glass of a directional sign.



Juan Manteca, who is also known as El Cojo, leaving a police station in Seville after being arrested earlier this month.

Japan's Other Import-Export Crisis: Illegal Aliens

By John Burgess Washington Post Service TOKYO — Filipino women, Pakistani men, the occasional American or Briton. Every workday morning, a third-floor waiting room in Tokyo's central immigration office fills with foreigners who have decided to give themselves up and go home. Some show up packed and ready to travel, cheap plastic bags slung over their shoulders.

has long taken pride in its racial and cultural homogeneity. Most of the alien workers are from poor Asian countries — women for bars and brothels, men for small factories and construction sites. Many support families left behind. Scattered among their ranks are a few Americans and Europeans, most in white-collar jobs such as teaching English, but a few in nightlife trades as well. Predictably, the solution to the illegal alien problem most often suggested is tighter enforcement. But a few Japanese argue for liberalizing, saying the people will come regardless and could prove economically useful.

school students demonstrating against the policies of a center-left government, make the Spanish movement a different phenomenon, sociologists say. "This generation finds itself blocked growing up because of economic reasons," said José Luis de Zarraga, author of a report on youth for the government. The main impediment is an unemployment rate that the government says is 45 percent for youths between the ages of 16 and 24, or more than one million young people. The overall unemployment rate in Spain is 21 percent, the highest in Western Europe.

Rabin Calls Arms Deal a Diplomatic Necessity

By Jim Hoagland and Glenn Frankel
Washington Post Service

JERUSALEM — Defense Minister Yitzhak Rabin has defended Israel's arms shipments to Iran as a necessary effort "to try to open contacts with our enemies" in the Middle East, adding that he regrets that Israel did not succeed in establishing "better liaison with Iran."

In an interview in Tel Aviv, Mr. Rabin described in detail Israel's goals in cooperating with the United States in shipping anti-tank weapons and Hawk missiles to Iran. Israel's motivation has been previously described in official statements almost solely in terms of helping the Reagan administration win reelection for American business in Lebanon.

Mr. Rabin, a former ambassador to Washington, stressed that he released two shipments drawn from Israel's own arsenal in 1985 only after being assured that the Reagan administration formally encouraged the shipments.

Mr. Rabin said, "I was in Washington for five years and I know what it means to send a single screw that comes from the United States outside Israel without U.S. approval."

But Mr. Rabin and other senior Israeli officials acknowledged that they had relied on an oral assurance given by Robert C. McFarlane, who at the time was President Ronald Reagan's national security adviser, that Mr. Reagan had approved the shipments.

These officials also said Israel went ahead with the shipments even though the White House warned that it would deny involvement in the 1985 operation if it were disclosed. That warning apparently was conveyed by Mr. McFarlane when he told an Israeli diplomat, David Kimche, that Mr. Reagan endorsed the idea.

The lack of independent confirmation of Mr. Reagan's approval is important because of a conflict in testimony given by Mr. McFarlane and the White House chief of staff, Donald T. Regan, who has said that the president did not give his approval before the September shipment of TOW anti-tank weapons by Israel to Iran.

Foreign Minister Shimon Peres, who was prime minister at the time of the arms shipments, has said that he approved the operation only as a favor to the United States for "humanitarian" reasons.

Mr. Peres has declined to be interviewed about his role in the Iran affair, which he and close associates helped encourage and coordinate, according to a U.S. Senate intelligence committee report on the arms deals released last month.

Mr. Rabin defended the 1985 shipments as being consistent not only with Israeli security interests but also with the advice that the United States has given Israel about pursuing peace in the Middle East.

"The main American argument has been that to achieve peace with Arab countries, you have to talk to them," Mr. Rabin said. "You have to make peace with your enemies, not with your friends. Iran is a bitter enemy of Israel as well as the United States, and it was natural to try to open channels of communication."

In shipping 500 TOW anti-tank missiles and 18 Hawk missiles to Iran between September and November 1985, Mr. Rabin maintained that "we did not move without getting assurance from McFarlane that the president approved it."

Mr. Rabin said that after Mr. Kimche received Mr. McFarlane's oral assurance, "I assumed it was safe enough" to begin shipping U.S. weapons to Tehran from Israel's stockpile.

But the defense minister added, "I was much happier when the United States and Israel came to the conclusion in December 1985 that the method of operation should be changed."

On Jan. 17, 1986, Mr. Reagan for the first time formally approved the arms sales by secretly authorizing direct U.S. shipments to Iran. This formal authorization significantly reduced Israel's role in managing the opening to Iran.

Asked if he regretted Israel's earlier activism, Mr. Rabin suggested that he was bolstered only that more U.S. hostages had not been freed and that better liaison had not been established with Iran.

Weather Forecasts How Accurate?



Average accuracy of forecasts last month shows the European edge in three- to five-day predictions.

Europe Keeps a Step Ahead of U.S. in Global Weather Forecasts

By James Gleick
New York Times Service

NEW YORK — U.S. weather forecasters are lagging significantly behind their European counterparts in the international competition to improve global prediction, according to meteorologists on both sides of the Atlantic.

Over the last two years, officials say, progress in simulating the Earth's weather patterns has sharply improved the forecasts issued by the U.S. government's National Meteorological Center near Washington.

The center provides the basic forecast sent each day to regional centers around the United States.

But the American forecasts remain consistently inferior to those issued by the European Center for Medium-Range Weather Forecasts, a 17-nation facility based in Reading, England.

Data from both centers and interviews with meteorologists show that the gap is as much as a day. The European center's forecast for the next six days, for

instance, is roughly as reliable as the American five-day forecast.

Officials, meteorologists and others give several reasons for the lag, but one stands out: The European center runs its model on a computer, an American one, that is roughly three times more powerful than the computer used at the U.S. center. That allows its forecasting to be not just faster but also more detailed and more realistic.

Apart from matters of national pride and scientific prestige, the progress in forecasting affects an increasingly wide range of industries. Truckers, airlines, oil drillers, farmers, fishermen and construction companies all have an urgent financial interest in forecasts of weather more than a day or two in advance.

Although the gap has existed throughout the 1980s, recent improvements in the European center's weather model highlight the disparity. Forecasters in many countries, even outside Europe, are coming to rely on the European model. Recently, for example, Southeast Asian countries have found the predictions useful in anticipating tropical monsoons.

"We feel we have made significant gains, and we can

demonstrate that," said William D. Bonner, director of the American center. "But it really takes time to catch up in this business. You cannot drop five years behind and make that up in a few years when you're competing in an environment where everyone else is moving forward."

The Americans and Europeans are not the only players in the forecasting race. Other national centers, including Japan's, have made tremendous strides in the last few years.

The Europeans rely heavily on the United States as the largest source of raw weather data from satellites and ground stations, and they make their forecast freely available to Washington each day by electronic transmission. The American forecasters, in turn, take note of Europe's predictions as well as their own in producing summaries for use by local forecasters.

In explaining the forecasting gap, some American meteorologists cite the different missions of the two centers. The National Meteorological Center must issue forecasts for the next day or two as well as the medium-term forecasts for the following several days, while the European center was established specifically

to concentrate on the medium range. So the Europeans can wait several hours longer before starting their computer run.

Most scientists believe, however, that the crucial difference between the European and American centers lies in the power of their supercomputers.

The Americans upgraded their computer most recently in 1983 with the purchase of a Control Data Cyber 205. By then the European center had already been using a Cray computer for four years. The Europeans leaped ahead again a year ago with the purchase of a more advanced Cray, the X-MP-48.

Global forecast models are immensely complex numerical engines, using data about the state of the atmosphere at one instant to calculate the likely state of the atmosphere five minutes later, and then repeating the process over and over again. They simulate 10 days of weather in a few hours of computer processing.

The Americans hope to upgrade their computer again, saying they are near the limit of what they can accomplish with their present equipment. But officials say they will not be able to get a better computer until 1989 at the earliest.

U.S. Is Nudging South Korean Parties Toward Compromise

By Clyde Haberman
New York Times Service

SEOUL — The United States has urged a vigorous campaign to nudge South Korea's rival political parties toward a compromise that would lead to a more democratic government.

South Korean politicians and newspapers have devoted considerable attention in recent days to a suggestion by a State Department official that relations with Washington may hinge on whether this country develops "a more open and legitimate political system."

The official, Gaston J. Sigur Jr., assistant secretary of state for East Asian and Pacific affairs, also

urged South Koreans to begin "permanently civilizing their politics," a call for the military to get out of the government.

His remarks could be interpreted as indirect criticism of President Chun Doo Hwan, a former army general who presides over an authoritarian government filled with other former military officers in important positions.

There has been no clear government reaction to Mr. Sigur's comments, which were made Feb. 6 to the United States-Korea Society in New York. But the concern here is evident from the prominent coverage, including lengthy translations,

that the government-regulated press has given to the Sigur speech.

Another sign of a more assertive United States stance is the behavior of the new American ambassador, James R. Lilley, who arrived three months ago.

In a politically significant gesture, he met last week with Kim Young Sam, an opposition leader. Mr. Lilley is said to be considering a meeting with another dissident politician, Kim Dae Jung.

Although specifics of the discussion last week were not disclosed, Mr. Lilley's action contrasted with the more standoffish approach to the opposition taken by his predecessor, Richard L. Walker.

In his more than five years in Seoul, Mr. Walker met privately with Kim Young Sam only once, and then only toward the end of his stay, and he never had a substantive discussion with Kim Dae Jung.

Government and ruling party leaders have made it plain that they would be deeply offended if the chief American representative here were to meet with Kim Dae Jung, whom they openly despise.

"I think that the ambassador of our friendly country will act wisely," Lee Choon Koo, secretary general of the governing Democratic Justice Party, said recently.

Kim Dae Jung is barred from political activity because he is under a suspended sentence for his conviction on what U.S. officials describe as trumped-up sedition charges. Despite the ban, he is a controlling force behind the opposition New Korea Democratic Party.

Whenever he tries to attend a rally or a news conference, however, the police put him under house arrest. He has been confined to his home 46 times since his return two years ago from exile in the United States.

American calls for compromise come in the face of a bitter political deadlock over the pivotal issue of how to choose a new leader to succeed Mr. Chun next year. His seven-year term expires Feb. 24, 1988, and he has promised he will step down and preside over what would be South Korea's first peaceful transfer of power.

The ruling party wants to replace the electoral-college system with a cabinet-style government led by a prime minister. But the opposition insists on direct election of a president, viewing that as its only fair shot at gaining power.

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Iceland Meeting a Failure, Panel Says

United Press International

WASHINGTON — The U.S.-Soviet summit meeting in Iceland was "the textbook case on how the superpowers should not negotiate," according to Representative Les Aspin, Democrat of Wisconsin and the chairman of the House Armed Services Committee.

Mr. Aspin released a 30-page study Sunday by the Defense Policy Panel, which he heads, that examined the preparations for and the conduct of the meeting in October between Ronald Reagan and Mikhail S. Gorbachev.

"The summit could have been a tragedy," Mr. Aspin concluded. "Instead, it will replace the 1961 summit between John Kennedy and Nikita Khrushchev as the textbook case on how the superpowers should not negotiate."

Mr. Aspin added: "The complete record, from the decision to accept the Soviet invitation to a

quickie summit to the effort to put a favorable spin on the outcome, shows the White House in confusion and disarray."

One member of the 13-member panel, Representative Duncan Hunter, Republican of California, filed a six-page dissent, calling the report "unprofessional" and a "celebration of form over substance" dominated by "political spinning."

The report said the proposal that caused the most problems was a last-minute initiative to eliminate ballistic missiles in 10 years, "offered freely by the president in full knowledge that its implications had not been considered either by his own military or by U.S. allies."

"The entire process was flawed," said Mr. Aspin, whose panel based its report on a series of hearings on the meetings. "Despite frequent public statements opposing ill-prepared summits, and with the U.S. elections only six weeks away, Reagan agreed to go to Reykjavik."

Mr. Aspin said the administration, which billed the session as a "preparatory meeting," had 10 days in which to get ready and "an effort to prepare for substantive talks was never made."

"Yet at Reykjavik," he said, "it was Reagan's own suggestion that converted the meeting from one intended to draft plans for a subsequent summit into a meeting that would engage in real deal-making."

The report said, "With the value of hindsight, it is possible to draw several conclusions about the process that suggest the Reagan administration was ill-prepared for the negotiations it participated in, and consequently, would have been ill-served had its product been accepted."

Without specific arms proposals of his own "and unsupported by strict rules of engagement, the president was vulnerable to a momentary establishment by the Soviets," the report said.

DUARTE: Despite Reforms, U.S. Aid, El Salvador Remains Mired in Crisis

(Continued from Page 1)

the leftist guerrillas fighting the government because they were sick of war. But she added that they felt abandoned. "We are caught between the government and the guerrillas," she said. "It is a canyon without an exit."

Such frustration is readily encountered in the jammed city streets and bare peasant villages of this small country, where Mr. Duarte's difficulties appear to be only one expression of much deeper problems that are rooted in centuries of social inequality, authoritarianism, and class polarization.

The key struggle for control of the countryside goes on, and most analysts predict that the United States will be forced to remain heavily involved in El Salvador for years, perhaps even decades.

American diplomats and Salvadoran political analysts argue that the gains in curbing gross human rights abuses, stabilizing the economy, training the army, and supporting an elected civilian government are essential and hard-won first steps.

But they do not appear to be enough to break the underlying political deadlock that divides the country into warring factions, nor to assure that the government will govern effectively, the diplomats and officials say.

American policy appears to have staved off a victory by the Marxist rebels, but it seems to have stumbled on the harder task of building a working society in El Salvador.

The sense of drift has visibly begun to upset the army high command, which is more powerful than ever as the result of a war that has guaranteed constant American aid.

Almost inevitably, the army has begun to assert itself politically, putting pressure on Mr. Duarte to improve his performance in his last two years in office and pressing a new rural counterinsurgency plan called Unidad to Rebuild.

"The high command has to begin to play a role in political and social policy," said Colonel Mauricio Ernesto Vargas, watching his troops hand out food and medicine in the contested eastern village of Cacopera. "As long as people lack food, work, roofs, and health, the problem is intractable."

The guerrillas of the Marxist Farabundo Martí National Liberation Front, hard hit in the last two

years, appear to have regrouped and regained a surprising measure of political and military force in recent months.

They have effectively pressed their strategy of a long war of attrition, rebuilt an urban labor front, and carried out sabotage, ambushes, assassinations, and kidnappings to disrupt government economic and political policies. The rebels appear to have almost the chance of outright victory, but they have defied predictions that they are close to defeat.

"We find the midterm perspective is better for us now," Guillermo Ungo, leader of the rebel civilian political front, said in a telephone interview from Panama where he lives in exile.

A third round of peace talks with the rebels failed last September, and the outlook for future meetings is dim.

The U.S. commitment here remains higher than ever. With additional cash this year for earthquake

relief, American aid may climb to a record \$770 million, from \$544.7 million last year.

But despite such assistance, as well as a major effort at land reform, El Salvador remains a country of profound inequality embedded in almost every structure and attitude of society.

While peasants make up the majority of the population, political power remains in the hands of the urban elite. Most Salvadorans are afraid of policemen and soldiers, and few of the poor would dream of seeking legal redress against a landlord because virtually no judge would favor a poor man.

Fifty percent of those who can work are unemployed or underemployed. This year, Salvadorans face an almost 40 percent increase in prices, inflation that is a source of growing discontent.

The rich, on the other hand, appear to have barely felt the weight of the war and the bankrupt economy.

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Mixed Eastern Signals

The regimes of Eastern Europe are reacting with a mix of apprehension and antagonism to Mikhail Gorbachev's calls for openness and "democratization."

General Wojciech Jaruzelski of Poland has applauded. But in East Germany, the regime of Erich Honecker has signaled that it does not intend to imitate the new Soviet line, and has kept parts of Mr. Gorbachev's recent programmatic speech out of the local press. In Czechoslovakia, a leading hard-liner, Vasil Bilak, has given provocative public praise to the Soviet invasion of 1968 and issued a warning to those who might be tempted to take the Soviet reforms as a pretext for reviving the "Prague spring." More muted expressions of concern have come from Hungary and Bulgaria. And Romania's Nicolae Ceausescu has served notice that the Kremlin's new approaches to economic policy are not for him.

There is no evidence so far that the Soviet Union is trying to press the East Europeans into a uniform reaction, although Soviet officials say that "democratization" and a need to make socialism more attractive are valid for all Communist parties. The Kremlin has reason to be cautious. It may be stirring up forces that would be hard to control.

INTERNATIONAL HERALD TRIBUNE

Turbulence in Brazil

Brazil is sliding closer to the danger zone. Its economy has deteriorated rapidly in a few months, and the government's authority has declined with it. Brazil is a country of immense resources and resources; it has sometimes recovered its balance in circumstances as unpropitious as these. But it is still the largest of the Latin debtors. The interests of its creditors are a secondary consideration, but its troubles will once again set off tremors in the United States.

The immediate threat is inflation. A year ago, with the rate rising above 15 percent a month, President José Sarney imposed a dramatic program that introduced a new currency and a freeze of wages and prices. Inflation dropped sharply and his popularity rose. But no wage and price freeze will last forever, and this one had a flaw built in it. As a concession to labor, Mr. Sarney froze wages much less rigorously than prices. Why? Perhaps because of political insecurity. He was elected vice president and found himself in the president's office when the man at the top of the ticket died before inauguration. He has never entirely consolidated his hold on the party.

Early last year his advisers began warning that the program being tested. But the fixes would not have been popular, and he

—THE WASHINGTON POST

Soon to Breathe Easier

Millions of New Yorkers will breathe easier starting on May 7. That is the effective date for the State Public Health Council's new rules regulating public smoking. Restaurants will no longer echo to "Would you mind pointing your cigarette in another direction?" Cab drivers can stop posting signs that read "Driver is Allergic." The person at the desk on the right won't have to complain that the smoke from the person at the desk on the left is ruining her day, her concentration and her health. Finally! As of May 7, the smoker is odd man out.

He is not, however, a pest. A smoker should be able to smoke in peace—provided he is smoking in private. The smoker will not be allowed in light up in indoor arenas, schools and auditoriums, clubhouses and courtyards, gymnasiums or health clubs, restaurants, stores, banks, hospitals or movie theaters. Still, allowance is made for smokers in designated areas like theater lobbies, and the ban does not apply to bars, hotel rooms, tobacco stores, restaurants with 50 or fewer seats, conventions or private social functions like weddings.

As for the workplace, that is trickier. The regulations place the burden on the employer to provide a smoke-free zone for those who want it. That person at the desk on the left will have to find another place to smoke. But if someone at an office meeting asks to smoke and nobody objects, he may. Some companies, like Pacific Bell in the state of Washington, have devised a well-

—THE NEW YORK TIMES

Other Comment

What Mercy and Compassion?

World opinion, initially slow this time in responding to the plight of the Palestinians in Sabra, Chatila and Beirut, is weakening. But indignation is mounting; diagnosis is a sine qua non to a cure.

The West cannot impose a solution, but could help induce one. That the Western powers have overplayed their hand in the past does not mean they are without resources, moral resources included. The time has come to point out that what is being done to the Palestinians, by their enemies and supporters alike, violates the precepts of Islam, a faith built on mercy and compassion. We shall be at our strongest when we demand that Muslim rulers act according to their own precepts just as when we

demand that Moscow's rulers respect their own constitution. Fahd's billions, Khomenei's jihad and the Arab League's tergiversations are proceeding, the opposite of the justice, compassion and human solidarity underlined in the Koran. To point this out unambiguously is the first step away from the hell on earth in Lebanon.

—The Times (London).

When Europeans Are United

When Europe is really united, it can halt American blackmail. The Old World's firm defense of its Airbus symbol has proved that. But Community-wide industrial projects are few. It follows that Europe will cave in more often than it resists.

—Le Monde (Paris).

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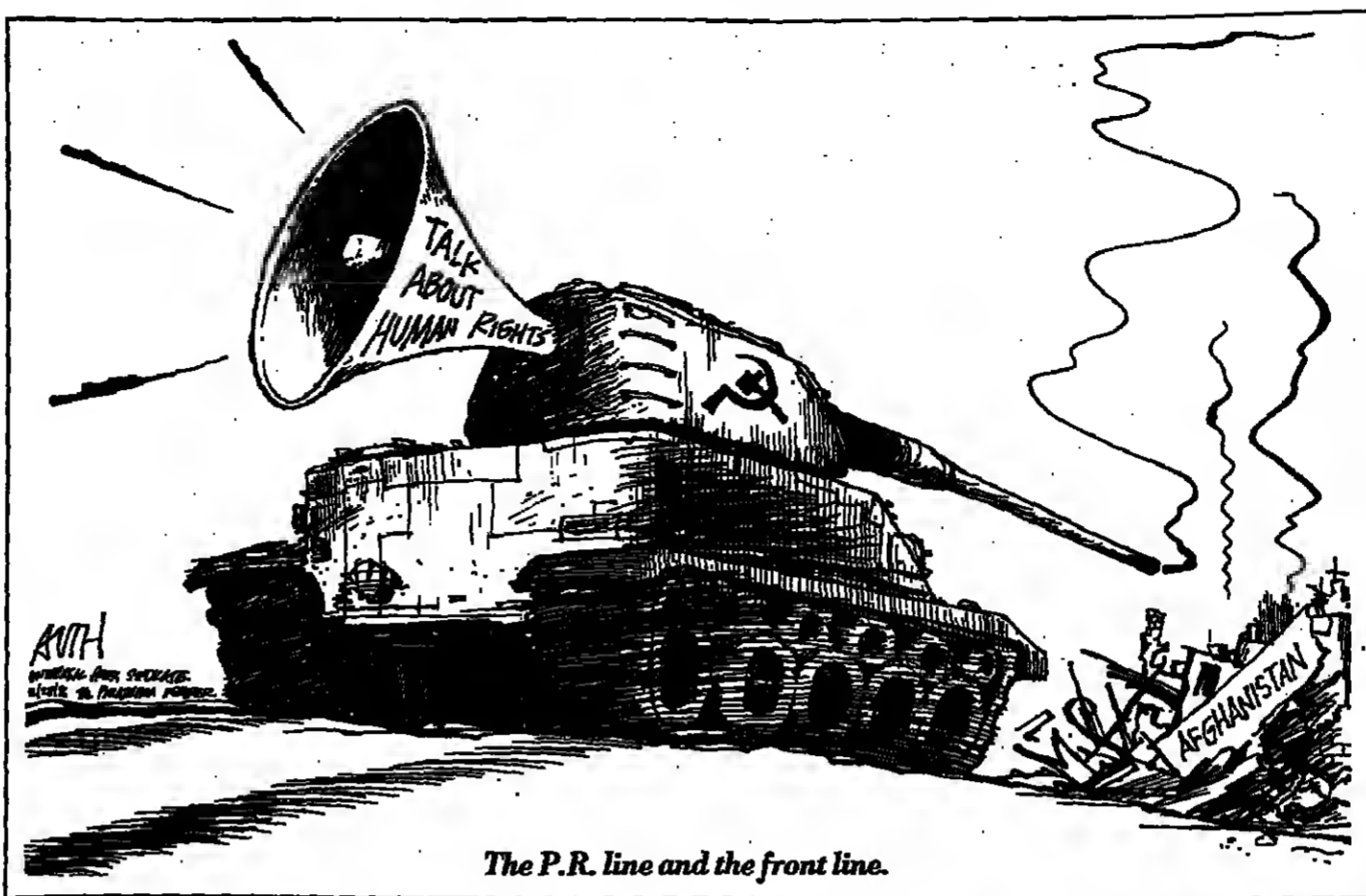
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OPINION



The P.R. line and the front line.

Europe Should Get Serious About Its Own Defense

By William Pfaff

PARIS—Europeans are only now confronting the fact that there are serious people in the U.S. Congress prepared to see American troop strength in Europe sharply reduced or withdrawn. They awoke in the fact that Assistant Secretary of Defense Richard Perle speaks for many in the United States who have lost patience with Western Europe.

Americans say that Europe has not been paying its proportionate share for European defense. European governments reply that employment and industrial investment have had a better claim on their money. Americans say that this is unfair.

Europeans reply that they make a much calmer assessment of the Soviet threat than does Washington. When Assistant Secretary of Defense Richard Perle asserts that the U.S.S.R. makes its nuclear disarmament offers only in order to cheat and obtain "a monopoly of nuclear weapons and the realization of the Leninist dream of the decisive correlation of forces," few Europeans in responsible positions take him seriously.

The defense issue is linked to the trade issue. Impatience on trade was obvious during last year's congressional election campaign. Washington has since hammered down the dollar, dealt toughly with the European Community on compensation for

U.S. export losses in Spain and Portugal, and challenged the Airbus consortium's A330/A340 project. Americans say the EC should spend its money on defense, not on farm supports or subsidy to high-technology projects that threaten U.S. exports.

The Airbus affair, interestingly enough, produced a reaction of defiance, which has not been the case in the past. The British government, usually uncomfortable with European projects and inclined towards American ones, was furious. The industry minister, Geoffrey Faine, announced that Britain would find the money for the new Airbus program, which before had not been seen. West German Economics Minister Martin Bangemann committed his country to the project. France's Prime Minister Jacques Chirac declared that if the United States wanted trade war on this issue it would get it.

The Airbus reaction was so sharp because jobs, technology and trade are crucial issues and prompt a degree of solidarity which the more remote considerations of political and military security do not. It is time, though, that they did, since without common European action on security, the West runs a serious risk.

Since the mid-1980s the French

have tried to get talks going with West Germany and Britain on ways to develop a European nuclear deterrent to reinforce, or if necessary supplant, the American deterrent. Former West German Chancellor Helmut Schmidt has favored this, but he is out of office. The leaders of the Alliance parties in Britain—the Social Democrats and Liberals—say they are for it, but they have little chance of getting into office.

The governing parties in Europe have done little because to act would make waves, and above all would make trouble with the United States. In 1984 the French proposed trying to breathe some new life into the Western European Union, the NATO military alliance. The United States was furious at the idea that the Europeans might take an initiative that excluded Americans.

American officials say that Western Europe's defense by Europeans alone is an idle dream. Many Europeans agree. Some West Germans believe that a settlement might be made with the Soviet Union which reunified Germany and also assured its security. Others think this the road to catastrophe. Many in West Germany, Britain, the Netherlands and Denmark think that nuclear defense is

not worth the risks. Many others think that if a European Community industrially stronger and richer than the Warsaw Pact cannot defend itself, it is not worth defending.

The time has come for the West Europeans to be serious about their security. They might properly begin through quasi-official or unofficial methods, but the enterprise needs to be intellectually serious and enjoy firm government commitment. The possibilities of common deterrence and defense need to be explored, together with the responsible courses of action open to the European powers if or when U.S. force reduction begins, or when it becomes evident that a fundamental reconsideration of the trans-Atlantic security relationship has become a mutual interest.

This implies a search for a common assessment of the Soviet threat and for agreement on the appropriate deterrence and defense. At the moment this may simply mean study, responsible thought, with high-level support and high-level access. No dramatic action is required, nor would that be useful now. But the relationship between Washington and the European capitals would benefit enormously from the fact that Europe's alternatives were being seriously addressed.

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Indonesia Will Vote and Generals Will Stay on Top

By Harold Crouch

CANBERRA—In April, Indonesia will hold its fourth general election since General Suharto took power in 1966, but there is no possibility that the results will threaten military domination of the government.

In previous elections, the government-sponsored Golkar party has always won more than 60 percent of the vote, and this year its leaders have announced a target of 70 percent. There are only two other legal parties and both have already proclaimed their support for Suharto's plan to stay in office for another five-year term.

Military personnel are not permitted to vote in the election. But 100 seats in the 500-seat legislature are already reserved for military appointees.

Although military officers cannot become Golkar candidates, the party is headed by Suharto's right-hand man, General Sudharmono, who will ensure that all of the Golkar candidates are supporters of continuing military domination. With the backing of the military, the police and the bureaucracy, Golkar is certain at least to maintain its share of the elected seats.

The army's involvement in politics dates from the revolutionary struggle against Dutch colonialism in the late 1940s, when the heaviest burden was borne by the guerrilla fighters of the newly formed armed forces. After the departure of the Dutch, military officers continued in belief that they had a right to participate in politics. When the liberal democratic system collapsed in the face of regional rebellion in the

mid-1950s, the military joined President Sukarno as a major component in his "guided democracy." The army took full power in 1966 after the failure of a Communist-supported coup attempt.

According to the Indonesian military's doctrine of *dwi-fungsi*, or dual function of the armed forces, its revolutionary credentials give it a permanent mission not only as a defense force, but also as a sociopolitical force with the right, and indeed the duty, to participate in all aspects of national life, including the government.

Indonesia's president and vice president are retired army officers, and 14 of 37 ministers are either present or former officers. The secretaries-general and other senior officials in many government departments are officers and about two-thirds of the regional governors are from the military. Many ambassadors, especially to countries important to Indonesia, are generals.

Many state corporations, such as those dealing in oil, tin and rice, are headed by generals and partly staffed by military officers. Also, many retired officers have entered private business, usually in association with local Chinese and foreign investors. Accusations of corruption and favoritism have become widespread as the growing wealth of prominent military leaders and their families has become impossible to hide.

During the past few years, a major change in

military leadership has taken place as the generals who fought during the revolution have reached retirement age and been replaced by academy-trained officers. The commander of the armed forces, General Benny Murdani, is the last of the pre-academy commanders; all others are postrevolutionary officers. There has been much speculation about the values and attitudes of these "professional" leaders. One thing is clear: They are committed to the dual function concept and will play a major role in government.

In recent years there has been debate, within the armed forces and outside it, about the military's role. Some argue that the military must retain its present overwhelming dominance; others believe that the political stability and economic development of the last two decades have laid the foundations for a more restricted, although still substantial, military role.

While few doubt that the presidency will be in military hands for some time to come, the proportion of officers among cabinet ministers, senior bureaucrats and regional governors might be reduced. However, most observers agree that the relaxation of the military grip, if it takes place at all, will be a very gradual process.

The writer is a senior research fellow in the Research School of Pacific Studies, Australian National University, and author of "The Army and Politics in Indonesia." He contributed this comment to the International Herald Tribune.

Privacy for the Employee Is Going Out of Fashion

By Gary T. Marx

CAMBRIDGE, Massachusetts—The USG Acoustical Products Company, based in Chicago, recently announced that employees at any of its nine plants who smoke, whether at work or at home, might soon be out of a job unless they stopped. After a grace period of several months, the company said it would monitor health using a test that measures lung capacity, and any employees still believed to be smoking could be fired.

The company's actions appear to be in keeping with the spirit of advice given recently to corporate executives by Attorney General Edwin Meese. He said management should "take its responsibility for surveillance" against drugs into locker rooms, parking lots and nearby taverns.

As technological methods of surveillance become more powerful and less expensive, and as the social climate becomes more receptive, increased emphasis is being placed on the monitoring of workers, even when they are away from work. The distinction between on- and off-duty behavior is narrowing.

Historically, privacy has been protected, partly because data collection was limited to what the unaided senses could detect. Today's surveillance technologies easily go further. Monitoring of employees is no longer restricted to a work setting. Electronic leashes track the activities of delivery and repair people who work far from a central office. (Ironically, it was because of the greater freedom these jobs afford that many people were drawn to them in the past.)

A small computer, named Tripmaster, installed on the dashboard of a truck can record speed, gear shifts, how long the truck idles and how long a driver stops for lunch or a coffee break. Another device can track vehicle location via satellite.

Within large industrial or office complexes, a worker's whereabouts can be determined at all times with card key systems, which require the employee to check into and out of various stations—including the parking lot, main entrance, a particular floor, a given office, a computer terminal and even the bathroom.

Video and audio surveillance, once restricted to high security areas, are increasingly found in work settings. They record whatever comes within their purview, work-related or not.

This was sadly discovered by two workers who left a factory as their shift ended, engaged in a heated discussion. A fight ensued and a video camera in the parking lot recorded it. They were fired. They filed a lawsuit, arguing that their activity outside the factory gate was a private matter. A judge ordered them reinstated.

Union grievances have been filed over the use of electronic surveillance in employee lounges and bathrooms. In one case, the introduction of electronic surveillance occurred during a union organizing drive.

Major changes are occurring in the monitoring of employee telephone communications as well. In most work settings, private use of

telephones has been tolerated, but with the development of a technique called station message detail recording, this is changing.

Extensive detail can easily be captured on phone usage, even to other extensions in the same building. Incoming calls can also be tracked.

The number of workers engaged in "telecommuting" (using computers and telecommunications at home) is also increasing. Interchanges with a central office serve to deliver a work product and also in monitor work. In such situations it is difficult to determine where the factory or office stops and the home begins.

One program permits managers to observe all input entered by an employee from his home and all output from the central computer to the user's terminal. Other programs are available to send subliminal messages or statements, such as "Work faster."

From management's perspective, monitoring practices can help to contain costs, enhance security, improve productivity and service, and equitably allocate rewards and penalties. Yet they can backfire.

Electronic sweatshops are no more appealing than the other kind. One manufacturing company found that productivity declined and absenteeism, stress and turnover increased after a monitoring system was installed.

Just because something can be done does not mean that it should be done. The precedent, once established, can lead to other forms of

monitoring, such as watching what overweight people eat, tracing spending patterns of those chronically in debt or tracking employees who engage in high-risk sports. Once this is accepted, surveillance of religious or political beliefs could be next.

The writer, professor of sociology at the Massachusetts Institute of Technology, has just completed a book on undercover police investigations. He contributed this comment to The New York Times.

No, Reagan Hasn't Yet Finished

By Stephen S. Rosenfeld

WASHINGTON—To any anxious European friend: You ask whether the Reagan administration is finished. You ask it, furthermore and thank you, in some badmouthing and dismay but in a respectful, without assuming that the pursuit of integrity in government—which is the way most of us here see the inquiry into the Iran-contra affair—is an act of reason to the Atlantic alliance.

Certainly, the Teflon myth of presidential immunity is shattered. Mr. Reagan's energy level, after as before his operation, seems up and down. People don't offer him the same deference. If he is counting on the public to get bored by the scandal and to call off the hounds, he must calculate that the inquiry is now institutionalized in both houses of Congress and in the judiciary, and is not merely a thing of partisan or media caprice.

Then, too, Mr. Reagan's foreign policy has had a certain structure, and it hurts him now. The structure was to build up positions of strength in arms and areas of dispute in the earlier years and then in the later years to reap the diplomatic gains. He is the weight lifter who built up for six years and now, with the big match upon him, pulls a muscle.

The number of big issues on his personal agenda is down to two. That is a sorry performance for a great power, but don't knock it. Some of Mr. Reagan's critics would prefer to see him so entangled that he couldn't

You Europeans will get by, chewing your nails.

do anything at all. Aides will run the international economy and trade, somehow. You Europeans will get along, chewing your nails. In the Middle East, America will respond to alarms—not much more. Southern Africa is too slogging. In Afghanistan we will support the guerrillas that leaves arms control and Nicaragua.

On arms control, even before his current time of troubles Mr. Reagan had not decided that the kind of agreement perhaps within reach, involving certain restraints on "star wars," was worth reaching for.

Casper Weinberger has been pushing hard to force a star wars choice that no subsequent president of Congress could reverse, no matter what the effect on arms control prospects. George Shultz seems to understand that this would probably close the door on an agreement, and he wants to keep the door open. The president has seemed to be leaning his way, by agreeing to let you nervous Europeans plus our nervous congressmen get into this whole discussion.

Still, Mr. Weinberger remains a strong force, and Mr. Shultz's steadfastness on Iran leaves him vulnerable to the Reaganites' knives on the issue that counts most with them, loyalty to the president's narrower political interests.

My guess is that Mr. Reagan will finally go with Mr. Shultz. The deal looks to be there for the picking on the Soviet side, since in Moscow as in Washington arms control is the single issue on which a politician with plenty else on his plate can make a dramatic move and act like a leader.

I am not so sanguine about Nicaragua. You Europeans, accustomed in living next door to Communist states, may not have grasped the full intensity of Mr. Reagan's feeling on this issue. When one tries to guess what may be in his head—and that is what all foreign policy analysis in Washington comes down to in the end—the suspicion grows that in order to do the right thing in arms control he may end up doing the wrong thing in Central America. To make a difficult compromise for the sake of an arms control agreement with Moscow, he may feel under pressure in stick to his hard-line position in Nicaragua.

Mr. Reagan wants democracy for Nicaragua. It is the place where it means the most to him in apply the "Reagan doctrine" of backing resistance movements to roll back Moscow's international gains of the 70s. The calculus of strengths and weaknesses that leads many to think that the contras are a dubious investment makes no visible impression on him. So it could happen that a failure by the contras to get up much military or political steam would generate pressure for some kind of U.S. military action as the year went along.

In brief, the Reagan administration is not "finished," not limping to the exit. Its largest foreign policy decisions are ahead. The beginning of Ronald Reagan's time may have made you uneasy. The endgame could be strictly white knuckles.

The Washington Post.

IN OUR PAGES, 75 AND 50 YEARS AGO

1912: Cuba Is Warned

WASHINGTON—President William H. Taft is almost ready to intervene again in Cuba. This action would probably mean the end of that Republic. News of the disturbance growing out of the revolutionary attitude of the Spanish war veterans has been communicated to Washington. President Taft's Note, addressed to President José Miguel Gómez [Feb. 16], states that maintenance of law, order and stability are indispensable in the continued well-being of Cuba, and that the United States has always evinced a vital interest. President Taft states, therefore, that he looks to Government of Cuba to prevent a threatened situation which would compel the United States, much against its desires, to consider what measures it must take in pursuance of the obligations of its relations to Cuba.

1937: Amnesty Hopes

ROME—The amnesty proclaimed on the occasion of the birth of the Prince of Naples will affect tens of thousands of criminals, it is estimated here [on Feb. 17], but the decree printed in all the afternoon newspapers benefits relatively few political prisoners. Pardons apply only to those sentenced under the criminal code, whereas most political prisoners are tried by special tribunals, which sentence them "al confino"—a classification to which today's decree does not extend. It is hoped that a subsequent decree will extend the amnesty to those held "al confino." In the great amnesty of 1932 celebrating the tenth anniversary of Fascism the pardon of prisoners "al confino" was issued in a second, special decree. The press office tonight said, however, that "there is no question of a subsequent decree for the moment."

OPINION

It's Time to Start Caring About Ecuador

By A.M. Rosenthal

QUITO, Ecuador — This is one of the pleasantest of cities, full of grace and the taste of history, capital of a country splendid in mountain and sea, and center of a society that captured the attention of all the Americas when it turned from military dictatorship to political freedom eight years ago.

Now it is the scene of a different kind of test: whether a still-forming democratic system can survive pressures from within. The pressures are not guerrilla conspiracies but the feuds and hatreds of the men elected and sworn to preserve the new experiment in government.

planning to oust the president's predecessor. It has made quite clear that it will not support any coup now whatever the excuse. And although the United States backs the president, the U.S. Embassy here deals openly and warmly with opposition leaders, too.

ON MY MIND

country not known for much other than bananas, oil and the islands where Charles Darwin saw finches and lizards that inspired his theories of evolution?

There is one big reason why Latin American nations care a great deal. It commands considerable attention from the State Department and even engaged the White House, in the days before the White House's mind and soul were imprisoned by the Iran-hostage-Nicaragua fiasco. Ecuador was the first of 10 Latin American nations to move from military rule toward democracy.

Last week a group of top businessmen from the Americas, members of the Americas Society, met here under the chairmanship of David Rockefeller. The fact that the session was not canceled despite the unease caused by the president's kidnapping was a mark of support for the country.

And this is one of those cases where nobody has the United States to kick around. The State Department has been doing exactly what it should. It warned off the armed forces when they were

There are people of good will in Quito and in other western Latin American capitals trying to get the president and his opponents to talk and deal with each other. If they do, democracy in Ecuador may endure. If they do not, it will end, perhaps within months.

That will cause sadness and fear for many Latin Americans outside this lovely mountain capital. Nobody in South or Central America will ask who cares.

LETTERS TO THE EDITOR

Secondhand Smokers

The Tobacco Institute in the United States reportedly claims that 550 continuous hours of breathing secondhand smoke in an office would be required for nicotine exposure to be equivalent to the smoking of one cigarette.

President Leon Felipe Colorado is a zealous, passionate businessman who became president in a free election in 1984. He has a special fondness for good talk, the free enterprise system and the United States, where he studied at Stevens Institute of Technology in New Jersey.

Richard Perle Has His Views

Regarding the opinion column "Perle's Bush Diplomacy Isn't Diplomacy" (Feb. 11) by Edwin M. Yoder:

Mr. Yoder correctly points out that classical diplomacy is an art "whose methods and customs long preceded the rise of democracy."

When Congress appointed a Supreme Court not to the president's liking, he put up a police cordon to prevent the

should be treated through classical diplomacy. But when it comes to dealing with the Soviet Union, occasionally it is salutary in case the emperor (or in this case, the empire) has no clothes.

West Germany's relations with East Germany are difficult enough without Richard Perle's and Lionel Bloch's kibitzing (Letters, Jan. 7). Those relations are a superb guarantee of peace in Europe. West German credits for East Germany are worth every penny.

South Africa, Realistically

Anthony Lewis (in "What Africa Demands Is Realism," Jan. 27) claims that the overwhelming mood in the countries near South Africa is realism: They want economic support and food programs from the West, so that Pretoria cannot "take advantage of economic misery."

South Africa, Realistically

South Africa, Realistically

South Africa, Realistically

South Africa, Realistically

South Africa, Realistically

South Africa, Realistically

South Africa, Realistically



About Bureaucratic Pains Of Childbirth in Gai Paris

By Vicky Elliott

PARIS — In Paris, where, amid strikes and snowstorms, I recently produced an infant, childbearing is an important contribution to the state. The Revolution first conceived of this. I gather from the slogan chiseled onto the hospital gate, which read, if I am not mistaken, "Liberté, Egalité, Maternité."

MEANWHILE

some of the most generous maternity benefits on offer in the Western world: 18 weeks of leave at full pay (plus an extra 5 weeks' sick leave for high blood pressure); large lump sums of cash; exemption from medical bills for the last three months of pregnancy; and, also gratis, a week in the hospital, spent in a private room with a sweeping view of an 18th century cupola and the Tour Montparnasse, the tallest building in Europe.

an army of functionaries. At a reunion of information at my neighborhood Child Protection Center, one Guadeloupean mother and I sat surrounded by 12 pediatric nurses, midwives and social assistants, eager to fill us in on the child care and home visits available to residents of the 10th arrondissement. There was a hitch: In early 1987, they admitted somewhat sheepishly at the end of the session, there would be no one to visit our sector.

International Union of Students, join with those who were profoundly disturbed by the recent U.S. test.

U.S. insensibility in worldwide protests is astounding and horrific. No experts are needed to detect what is demanded, nor to prove that nuclear explosions will not enhance "security."

There can be no unilateral security in this interdependent world, overloaded as it is with genocidal weapons.

GASTON GRISONI, Secretary, International Union of Students, Prague.

International Union of Students, Prague.

International Union of Students, Prague.

International Union of Students, Prague.

International Union of Students, Prague.

International Union of Students, Prague.

International Union of Students, Prague.

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International Union of Students, Prague.

International Union of Students, Prague.

Minutes later, it was time for delivery, and a tumbrel was hurriedly brought in to wheel me to the bloc. It was too late for such frills as blood-pressure cuffs, epidurals, antibiotic drips or monitors.

The salle de travail, as the delivery room is poetically called, was as cozy as a parade ground in midwinter. The delivery team, more martial than medical, had a bracing disregard for sentiment.

Some were sullen, some snappy; those who cared to communicate shouted.

The infant was yanked out, blinked a little, was passed from hand to hand. My husband, already numbed from being treated like a stand for an intravenous drip, was reminded of a visit to the local butcher — not because of the blood but because of the professional detachment.

Our butcher has a pride in his skill, and a certain professional respect for the meat at his command, but he feels no need to waste public relations on pork chops.

The baby was fumbling a way to my breast. A midwife disapproved: the child must be trained to nurse in the correct fashion. "Voldi!" she said triumphantly, as the infant got up a piercing wail. Procedure had been observed. In France, procedure is of the essence. Liberty and equality imply an entitlement to equal treatment, measured out with unforgiving impartiality. Fraternity was then thrown out with the bathwater.

One might feel tempted to condemn the Russians as barbarous for dunking their newborns in frozen rivers, or Americans for choosing not to waste public money on mothers. But notions of civilization, like babies, come in different shapes and sizes.

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General News

Scalia Seeks to Rid U.S. Judiciary of Routine Cases

By Stuart Taylor Jr.

NEW ORLEANS — Justice Antonin Scalia of the U.S. Supreme Court has called for a major overhaul of the federal judiciary, saying it was being transformed from an "elite" into a vast bureaucracy by a flood of routine cases.

He urged relegating large categories of cases like routine Social Security disability claims and Freedom of Information Act suits to specialized tribunals. This would reverse what he termed the "continuing deterioration" in the prestige of the federal district and appellate courts and the quality of the lawyers interested in serving on them.

"The time is well past due" for action if "a system of elite federal courts" is to be retained, Justice Scalia said at the American Bar Association convention here Sunday.

In his first major speech since he joined the Supreme Court in September, the 50-year-old justice said the framers of the Constitution saw the federal judiciary as a "natural aristocracy, their words, of ability rather than wealth."

He said it was inevitable that federal district appellate courts would stop attracting "the cream of the profession" unless action was taken to limit their caseloads and their need to devote routine personal injury and employment suits and other cases they consider "trivial."

While bar association leaders said they could carefully consider the justice's suggestions, some lawyers here quickly rejected them.

The suggestions are likely to be controversial, and some civil libertarians and others concerned about the availability of the federal courts to ordinary people.

Justice Scalia's concerns are shared by many federal judges, and in some respects they resemble complaints voiced over the years by Warren E. Burger, the retired chief justice.

But the new justice's speech had a greater tone of urgency, and his call for relegating many cases to lesser, specialized tribunals went far beyond anything the former chief justice has said.

Justice Scalia said that when he graduated from Harvard Law School, he had aspired to become a federal judge because federal courts were "forums for the big cases."

In those courts, he said, "an elite group of practitioners" argued before judges viewed as "great minds."

Now, he suggested, if "the best and the brightest" still aspire to be federal judges, it may be because of an outdated notion of what it entails.

"As the image catches up with the modern reality," he said, "the attractiveness of the job will disappear."

Since 1960, he said, the federal courts have been transformed by an explosion of federal rights on which lawsuits could be based.

He said that since 1960 the number of federal

civil suits filed each year has more than quadrupled, from 58,000 to more than 250,000, and the number of appeals has multiplied ninefold, from 3,900 to 35,000.

While the number of federal district and appellate judges has increased from fewer than 300 in 1960 to more than 700 now, he said, the increase has not been enough to keep pace with the caseload. A federal district judge now has nearly twice as many new cases to handle each year as in 1960 and appellate judges have nearly four times as many, he said.

Appointing more district and appellate judges to handle the growing caseload is no solution to the problem, Justice Scalia said, because it only dilutes the prestige of the office and "aggravates the problem of image."

He also said the problems would not be solved by other changes debated in recent years, such as eliminating the jurisdiction of federal courts over state-law suits between citizens of different states or creating a new court to hear some appeals from the 12 regional federal appellate courts.

While such a court would lighten the Supreme Court's caseload, he said, it would only exacerbate the loss of prestige of the federal district and appeals courts, pushing them one step down the ladder.

Using specialized courts to handle routine disputes, he said, would free district and appellate courts to handle more important cases.

Nicaragua Invited to Regional Talks

By William Branigan

WASHINGTON Post Service

SAN JOSE, Costa Rica — Four Central American presidents have called on Nicaragua to join them in a conference to discuss a regional peace plan, but they failed to reach agreement on a peace proposal put forward by Costa Rica's president, Oscar Arias Sánchez.

At the end of a one-day meeting here Sunday, Mr. Arias and the presidents of El Salvador, Honduras and Guatemala signed a general statement of principles inviting Nicaragua to meet with them in quipulas, Guatemala, within 90 days to discuss the detailed regional peace plan.

Mr. Arias then read his proposal, which was left unsigned.

The tight security enforced by more than 1,000 policemen, President Napoleón Duarte of El Salvador, José Azcona Hoyo of Honduras and Marco Vinicin Cerón of Guatemala joined Mr. Arias for the 19th century Theater.

The United States government also publicly rejected Mr. Arias' initiative, although some sources here would eventually assent.

Mr. Arias has termed the new act of sabotage 'outdoor negotiating

process and a manifestation of the interventionist policy of the United States.

The Costa Rican plan is based on a 21-point draft proposal put forward in 1984 by the Contadora group of countries, made up of Mexico, Panama, Colombia and Venezuela.

However, the Arias plan places more emphasis on internal "democratization" in Nicaragua as a means of defusing a six-year guerrilla war being waged by the Nicaraguan rebels, who are known as contras.

According to diplomatic sources, Guatemala, which has been pursuing a neutral policy toward the Nicaraguan conflict, wanted more time to consider the peace plan. It would commit the signers to greater concessions to internal opponents than Guatemala has been willing to grant its armed rebels.

The Costa Rican proposal calls for a general amnesty for political offenders in all five countries within 60 days of signing, dialogue with internal opponents and, at the same time, a cease-fire with armed rebels. All but Costa Rica and Honduras have armed rebel movements.

The Arias plan also puts forward a timetable for "democratization," calling for complete freedom of the press within 60 days of signing, political pluralism and simulta-

neous elections for a Central American parliament, modeled on the European Parliament, in the first six months of 1988. The elections would be monitored by international observers.

The plan also calls for elections under the same monitoring for municipalities, legislatures and presidents in the five countries.

It calls for cessation of military aid to insurgents and irregular forces but stops short of a proposal by the Contadora group to halt military aid to governments as well.

It also forbids the use of national territory for aggression against another country and calls for negotiations within 60 days on the reduction of arms stocks.

The agreement would be supervised by a committee to be made up of the secretaries-general of the United Nations and the Organization of American States and the foreign ministers of the four Contadora countries and four "support group" countries, Uruguay, Argentina, Brazil and Peru.

Mr. Arias said he remained "optimistic" that his plan would be accepted eventually.

The meeting came amid uncertainty about the future of the Nicaraguan rebel leadership, which is split between conservative elements and more liberal figures who initially supported the 1979 Nicaraguan revolution.

DEATH NOTICE

Mrs. François Jaulin, his wife, Mr. and Mrs. Jean-Marie Bites and their children, Mr. and Mrs. Vincent Jaulin and their son, Mr. and Mrs. Étienne Jaulin, Mr. and Mrs. Yves-Marie de Magnanville and their children, Mr. Clément Jaulin, his children and grand children, Mr. and Mrs. Luis Umbrich, his parents in-law, his brothers and sisters and their children and all his family deeply regret to announce the passing away of

Mr. François JAULIN, Ingénieur du Corps des Mines, died fulfilled with the last rites of the Holy Church on February 14th, 1987 at the age of 54. The religious ceremony will be held at the Eglise de la Madeleine in Paris 8th, on Thursday 19th February at 3 p.m. The burial will follow in the Cimetière du Montparnasse in the family tomb. No flowers or wreaths. According to the wish of the deceased, donations may be addressed to the Institut Gustave Roussy, Service de Tiroserie, 39 45 rue Camille Desmoulins, 94800 Vitry-sur-Seine, France.

Oris Elevator Company USA is sorry to announce the passing away of their former Chairman and Chief Executive Officer.

François JAULIN on Saturday February 14th, 1987 in Paris. The funeral will take place on Thursday February 19th, 1987 at 3 p.m. at the Eglise de la Madeleine, place de la Madeleine, Paris 75008. The burial will follow at the Cimetière du Montparnasse, 3 bd Edgar-Quinet, Paris 75014.

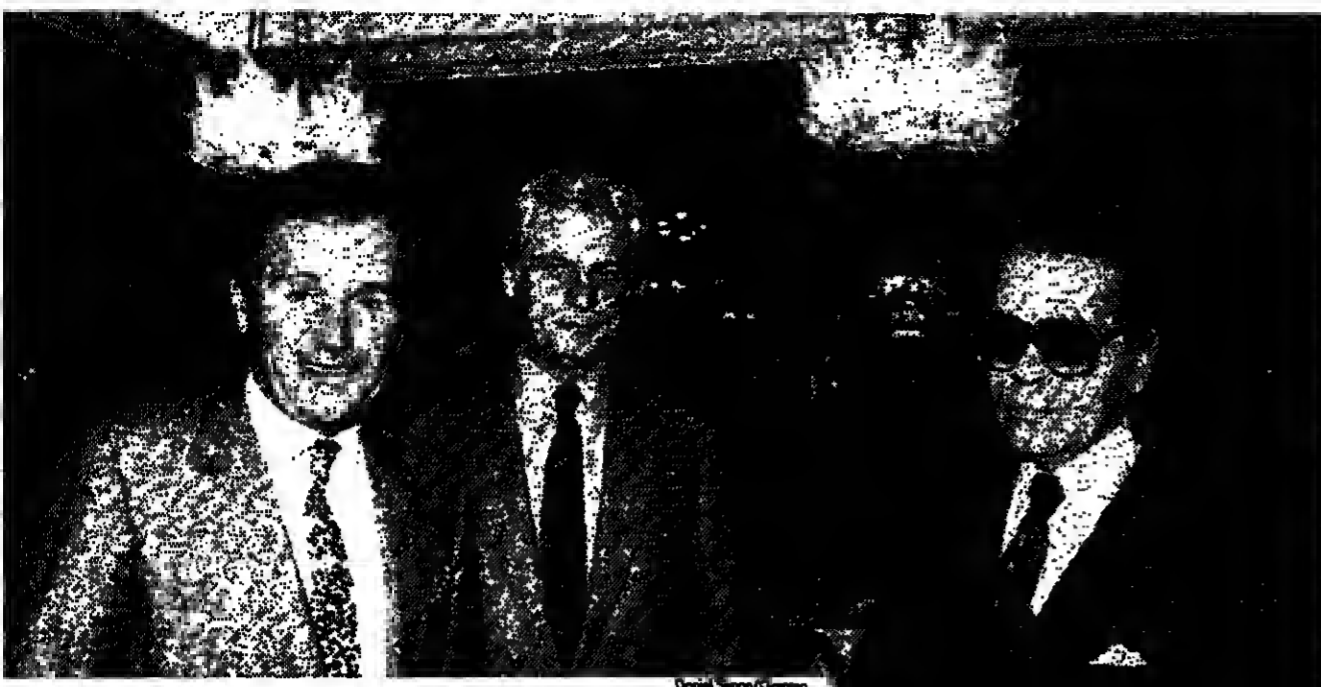
United Technologies Corporation sadly announces the passing away of their Senior Vice-President.

François JAULIN on Saturday February 14th, 1987 in Paris. The funeral will take place on Thursday February 19th, 1987 at 3 p.m. at the Eglise de la Madeleine, place de la Madeleine, Paris 75008. The burial will follow at the Cimetière du Montparnasse, 3 bd Edgar-Quinet, Paris 75014.

Advertisement for AT&T. The main image is a black and white portrait of a woman's face, looking slightly to the side. Overlaid on the image is the text: 'NON WHEN YOU WANT TO REACH THE OPERATOR IS ONLY SECONDS AWAY'. Below the image is the AT&T logo and the slogan 'The next choice'. To the right of the advertisement is a vertical column of small text, likely a list of services or contact information.

صكزامن الامن

ARTS / LEISURE



Lagerfeld (right), with Cathalan (center), and Bouriez of Revillon.

Karl Lagerfeld's Luxury Relaunch

PARIS—One of the major sensations of the fashion season has been Karl Lagerfeld's announcement of his new business arrangement with the Revillon SA Group, a French fur, accessories and perfume concern. It came only three years after Lagerfeld founded his own house under a licensing agreement with Bidermann Industries USA Inc. But, despite the fact that he had by then made his mark with Chloé, and that he was designing highly successful collections for Fendi and Chanel, things in his own house did not work out. His couture-like "Karl Lagerfeld" clothes and the less expensive "KL" sportswear never took off. Observers felt that both collections were not made with enough care, and that the luxury finish — which Lagerfeld knows all about, since he was the first to introduce deluxe ready-to-wear years ago — was noticeably lacking. According to Women's Wear Daily, the company suffered from management changes, late starts and quality problems. So now, by a common accord, Lagerfeld has severed ties with Bidermann and joined the Revillon Group, with whom he has signed a worldwide licensing and marketing partnership for all his activities, except perfumes. Lagerfeld said he did not have to buy his name back from Bidermann, which was confirmed by Maurice Bidermann, controlling shareholder of Bidermann SA. "Things did not work out, and that's all," Bidermann said. "So we both decided to get out of it."

finishing touches, all done in little workrooms outside Paris because this is an expensive line." Lagerfeld went on to say that Philippe Bouriez, president of the Revillon Group, and Jean-Claude Cathalan, chairman of the Revillon Luxe division, are used to luxury because they already own the Revillon fur. "They know what it's like to sell sable coats, I think I can understand them and they can understand me." For Revillon, Cathalan said: "We want to develop Lagerfeld's main collection as an image-maker and we want it to be a beautiful, up-market product. Later on, we'll develop the licenses, but we have to make sure that we get good partners who will ensure a good distribution and a good image." Meanwhile, Lagerfeld said that in 10 days they'd had more license offers than in the previous three years. He is well aware that his name has suffered during these last three years when his collections were not up to par. "My idea now is to build up my prestige. Even the broader-based KL should not be a collection of cheap copies. It should be cheerful, bright and very different from what we do in Paris. My plans are to produce the sportswear line in Germany" instead of in New York as he did for Bidermann. "With my reputation in Germany, not using that market is stupid." After Boris Becker, Lagerfeld, who says people stop him in the streets in West Germany, is one of the best known personalities in his own country. This is largely due to frequent television appearances. "People may not know my styles, but they remember me as the man with a ponytail who talks too much and makes people

HEBE DORSEY

laugh," said Lagerfeld. The result is a somewhat sublimated vision of an 18th century marquis in dark glasses. A knowledgeable collector, Lagerfeld, who has become an enormously rich man on the proceeds of his perfumes, lives in candlelit, 18th century grandeur and sleeps under an exquisite, feather-topped canopy bed. This flamboyance somehow did not fit in with the Bidermann group's bread and butter style. "They didn't like my way of doing things, my way of thinking and my approach to expensive living," the designer said. He also claimed that the Bidermann group wanted a quick return on their money, "whereas Revillon has a lot of money and I have a comfortable income." "Whatever Mr. Lagerfeld says is fine with me, and I wish him all the success he deserves," Bidermann said recently in Paris. "We stopped because it didn't work out, that's all. Why did it not work out? I think you should ask Lagerfeld. He seems to have all the answers and I won't argue with him." But remember, Lagerfeld was a very small department of one group, whose business turnover for 1986 was \$650 million. We're not losing money. But Lagerfeld did lose far more than was reported in the papers. We invested \$15 million in the venture and lost between five and six million dollars. At this rate, I don't see how anybody could call me cheap." But Cathalan is not worried about Lagerfeld's previous losses. "We know there have been substantial losses," he said, "and we've analyzed the reasons for this failure. Our answer to this is twofold. One, we're angling for a luxury market and Bidermann was not used to luxury. Two, Bidermann did not develop licensing and everybody knows that in this business, the only way to make money is in licensing."

The Growth of a Designer

By Kate Singleton

MILAN — Bruno Munari is one of the most influential designers of the 20th century. Not because he has imposed a particular style or look, but because he has encouraged people to go beyond formal conventions and stereotypes by showing them how to widen their perceptual awareness. This he has done by dedicating time, patience and imagination to the most receptive age-group — the 3 to 6-year-olds. His influence thus grows with his pupils. Munari has been conducting workshops for children and their teachers in Italy and elsewhere for years. His first children's books date back to 1945, and were followed by didactic games, and by what he calls "pre-books" (unprinted words, but shapes to look through and textures to touch, bound in book form). Typical of his playful seriousness is the delightful volume published in 1983 by Danese of Milan, in conjunction with the Museum of Modern Art in New York. It's a half-finished picture book to be completed by its youthful reader, whose name can then be proudly added to Munari's on the cover: "So Many People" by Bruno Munari and . . .



Bruno Munari and friend work on "So Many People."

An exhibition of Munari's works as artist, designer and educator is showing in Milan's Palazzo Reale until March 1, before moving on to other cities in Italy and abroad. (Another one-man show and children's workshop will run at La Villette in Paris in June-July.) The Milan exhibition has its own well-illustrated catalog, but richer in text and pictures is the new monograph by Aldo Tagliari: "Bruno Munari." It is published in Italian. Ideas, books and sketches in the spring from Thames & Hudson in England, MIT Press in the U.S. and Ser's Editor in France. Munari was born in Milan in 1907, but was brought up in a Veneto village. He returned to Milan in 1926, working as a technical draftsman by day and joining in the second phase of the Futurist movement in his free time. He must have found the company of Marinetti, Depero, Prampolini and the other futurist artists more congenial than the conventional artistic circles of the time, for he was himself creating works that didn't fit into the traditional categories of sculpture or painting. In 1933 he exhibited his first collections of machine built (useless machines). They are light aerial sculptures, suspended forms of great simplicity and beauty that must have appeared shocking, indeed unintelligible, in an epoch still given to monumentalism. And in 1948 he

became a founding member of the Movimento Arte Concreta that aimed at reconciling art with a wider public. A unique mixture of fantasy and practicality characterizes all Munari's creations. From the Ora X clock with colored transparent disks instead of hands designed as a multiple in 1945 (Danese put it into production in 1963), to the traveling sculpture in cardboard of 1958. To quote Munari's whimsical words: "In your suitcase you carry a picture of your family, an alarm clock, a change of clothes and the medicines you need, so why not take a folding sculpture to personalize an anonymous hotel room?" The sorts of games he invents for his small pupils demonstrate



Fun with a "pre-book."

how one thing can be transformed into another. A typical example is Flexy (1968), a tetrahedron made of six steel wires that can be manipulated into all sorts of shapes so that the child instinctively grasps the nature of topology. Another is the book on drawing trees, which starts out from the simple principle of ramification. Munari has traveled throughout the world to set up his children's workshops — from South America to Scandinavia, from Europe to Asia. "The children in Japan are quite special," he claims. "They pay more attention and are more disciplined. You see, right from kindergarten they are taught how to fit in with others — not to interfere when someone's talking, not to put themselves forward, and so on. Then they're also taught originality. A child of three who can do origami has learnt to be precise, and begins to absorb a fundamental feature of Oriental thought — the way one thing can be turned into something else. This makes him a better observer, because it shows him how present phenomena are just part of a larger process. In terms of general education, this is extremely important."

Kate Singleton is a Milan-based journalist who writes frequently on cultural affairs.

DOONESBURY



General News

Jewish Dissident Is Still In Prison, His Wife Says

By Celestine Bohlen
Washington Post Service
MOSCOW — Josef Z. Begun is still in prison and the Soviet authorities said Monday they have had no orders to release the Jewish dissident, his wife, Inna, said. Georgi A. Arbatov, the Soviet official who is director of the Institute for U.S. and Canadian Studies, said on television Sunday that Mr. Begun was about to be released, although not as a result of five days of demonstration staged on his behalf in Moscow last week. The protests ended Friday as men in civilian clothes pushed. SOVIET: Policies Linked (Continued from Page 1) and remains a serious threat to Western interests. Mr. Gorbachev has suggested, but until Monday not explicitly said, that Moscow's foreign policy would be guided by the need to devote resources to domestic problems. Emphasizing that internal changes would be consistent with socialist principles, Mr. Gorbachev said: "But we want to be understood and we hope that the world community will at least acknowledge that our desire to make our own country better will hurt no one, with the world only gaining from this." Mr. Gorbachev also said that Moscow wanted to resolve regional conflicts, including the war in Afghanistan, and he reiterated Soviet pledges to combat terrorism. Repeating a theme that is appearing with increasing frequency in his foreign policy speeches, Mr. Gorbachev talked about the "diversity and increasing interconnection" of the world. Western diplomats have focused on these references in recent months as possibly indicating a move away from traditional Marxist-Leninist doctrine about the inevitability of conflict between capitalism and Communism. Dozens of Americans attended the weekend meetings, including the writer Norman Mailer, Gore Vidal and Bel Kaufman, the economist John Kenneth Galbraith, the actors Gregory Peck and Kris Kristofferson, a number of scientists, and more than a dozen businessmen.



Police checked the identity of a passer-by on the Champs Elysees in Paris on Monday amid increased security before the opening of the Abdallah trial.

Report Says France Tried To Suppress Abdallah Data

PARIS — A French magazine published Monday a confidential letter that it said showed that French officials had tried to suppress evidence against a jailed Lebanese guerrilla suspect. The magazine Le Point said that the then Socialist government wanted to avoid charging Georges Ibrahim Abdallah, the guerrilla suspect, with complicity in murder because of a secret deal over the release of a French hostage in Lebanon in 1985. Mr. Abdallah, jailed on arms charges, goes before a Paris court on Monday charged with complicity in the 1982 murders of a U.S. diplomat and an Israeli diplomat. He would have been eligible for release had he not been linked to the 1982 killings by the discovery of an arms cache in an apartment rented in his name. In the letter, the head of France's internal security agency, DST, urged silence on Mr. Abdallah's links with the arms cache, which included the murder weapon. "It would be inadvisable to place this discovery 'on the account' of Georges Abdallah," it said.

Wide Use Seen for New Superconductor

By Walter Sullivan
New York Times Service
NEW YORK — A breakthrough by American scientists that has produced a new superconductive compound could have vast application in generating and transmitting electricity, in medical diagnosis and in other uses, including powering high-speed trains with magnets, scientists say. Announcement of the achievement was made Sunday by the National Science Foundation. The work with potentially valuable commercial application is the latest development in a race with few parallels in the history of applied physics. Laboratories in the United States and abroad are competing to exploit the discovery that some specially designed alloys lose all resistance to electricity at temperatures far warmer than regarded as conceivable a few months ago. Researchers at the University of Houston and the University of Alabama produced the new superconductive compound, which loses all resistance to electricity when cooled to the temperature of liquid nitrogen, the science foundation said. The superconductivity was achieved at normal atmospheric pressure and at temperatures that can be produced with relatively cheap and easy-to-use coolants. Wire made of the new compound could be in use within a few years, according to the researchers. Dr. Paul C.W. Chu at Houston and Dr. Man-Kuen Wu, one of his former students, at the Alabama university.

announced Sunday achieved superconductivity at 283 degrees below zero Fahrenheit, or 98 degrees Kelvin. They said they believed it would be possible to develop compounds that are superconductive at even higher temperatures. Dr. Chu and Dr. Wu would not describe the compound in detail. Dr. Chu, who said he filed a patent application for the compound on Jan. 12, said the work would be described in a few weeks in the journal Physical Review Letters. Dr. Wu said the compound was "different from those lanthanum-barium-copper oxides" developed by other researchers who made recent advances in superconductivity. "The chemical formula is not the same but it is an oxide," he said. Dr. Chu said it might take a few years to perfect wire made from the compound. When superconductivity was discovered about 75 years ago, scientists believed it would occur only at absolute zero, or 460 degrees below zero Fahrenheit, the hypothetical point at which all molecular motion stops. Efforts to raise superconducting temperatures accelerated in April when J. Georg Bednorz and K. Alex Müller of the IBM Zurich Research Laboratories in Switzerland described their work with a compound of barium, copper, oxygen and lanthanum, a metallic element that occurs in various minerals. The compound, they said, became superconductive when cooled to 35 degrees Kelvin. That was a dozen degrees higher than the warmest temperature which researchers had been able to achieve for many years. By now it is believed that scores of laboratories are at work in the field. "We don't know where the roof is," said Dr. Roy Weinstein, dean of science at the university in Houston. In the Jan. 30 issue of Science, the Houston group reported that under a pressure 12,000 times that

Currency

Table with multiple columns and rows of financial data, including currency exchange rates and interest rates. The text is small and partially obscured by the page's edge.

SPAIN: Students Want to Join Society, Not Change it

(Continued from Page 1) out by their parents can often be found loitering, hooked on drugs or committing petty crime. Young Spaniards say they are not trying so much to change society as to join it, unlike their brethren of the 1960s in the United States and France. "We're not going to be the forgotten ones," said Ramon Iglesias, a neatly cropped 16-year-old high school student. College admissions have become an immediate focus of the protests. A degree is seen as a ticket to a job and social status, students said. But admission is based on a single examination, which many students see as an unfair throw of the dice. The students, nonetheless, are demanding that university selectivity be abolished altogether. They want more school spending and more scholarships, including the granting of salaries to students from the poorest families. Mr. Maravall, the education minister, has proposed an increase in spending on schools by more than \$150 million, much of it for scholarships, but he has rejected dropping selectivity. The researchers whose work was

At Least 57 Tamils Die In Sri Lanka Violence

COLOMBO, Sri Lanka — Government commandos raided a Tamil guerrilla hideout in an eastern jungle and killed 30 militants, the government said, bringing the toll in weekend fighting to at least 57 dead. In addition to the raid Sunday night, at least 16 Tamils, mostly rebel fighters, were killed Saturday night when a truck bomb that rebels were preparing detonated accidentally in the northern Jaffna peninsula. The government also said that 11 Tamil civilians were shot or knifed to death in Eastern Province.

FLICK: Lambsdorff, 2 Others Are Guilty in Tax Case

(Continued from Page 1) prosecution had been justified in bringing the corruption charges against the three defendants, who he said had been acquitted for lack of evidence against them. The sentences were considerably lighter than those demanded by the prosecution, which had asked for a 15-month suspended sentence for Mr. Lambsdorff, four years in jail for Mr. von Brauchitsch and a 198,000 DM fine for Mr. Friedrichs, who was chairman of Dresdner Bank when he was indicted. Mr. Lambsdorff, who was the first West German cabinet minister to be indicted while in office, was initially accused of having accepted for his party 135,000 DM in bribes from the Flick concern in the late 1970s in return for granting tax waivers. Mr. Friedrichs was charged with having accepted 375,000 DM from Flick for granting similar tax waivers while Mr. von Brauchitsch was accused of having distributed the bribes. The Flick payoffs were entered in a ledger that was a central prosecution document. In July, issuing a "preliminary acquittal" the court decided to stop hearing evidence on the corruption charges. The corruption charges had been the most serious against the three defendants and the ones that could have dashed Mr. Lambsdorff's chances of making a political comeback. A sharp-tongued politician, Mr.

Wide Use Seen for New Superconductor

of the atmosphere, a compound of lanthanum, barium, copper and oxygen began to become superconductive when cooled to 52 degrees Kelvin. It did not become fully so until 25 degrees Kelvin. Other recent advances have been achieved at the Institute of Physics in Beijing, where scientists are also working on lanthanum-barium-copper oxides. Scientists have long debated whether it might some day be possible to produce materials that are superconductive at room temperature. There is no theoretical reason to rule that out, according to Dr. John Bardeen of the University of Illinois, who shared a Nobel prize for his work on the theory of superconductivity. But he did not predict that superconductivity at room temperature would be achieved. Dr. Philip W. Anderson of Princeton University, also a Nobel laureate in physics, expressed similar views, saying merely that it was "not impossible."

Interest Rates

Table with multiple columns and rows of financial data, including interest rates and currency exchange rates. The text is small and partially obscured by the page's edge.

Statistics Index

Table listing various market statistics such as AMEX prices, NYSE prices, and interest rates.

TUESDAY, FEBRUARY 17, 1987

INTERNATIONAL STOCK MARKETS

Untying the Bourse Strings Depends on Paris Brokers

By JACQUES NEHER. PARIS — The "Big Bang" of deregulation on London's stock market last fall has jolted other European financial centers to reassess the roles they hope to play in the evolving global money game.

But outsiders say that won't be an easy task, especially if the French do not move quickly to open their market to banks and foreign brokerage houses, thereby surrendering the monopoly Paris brokers have over the Bourse.

At a recent business conference in Paris, officials described dramatic changes at the Bourse in the past few years and sketched an ambitious plan to put Paris on equal footing with markets in London, New York and Tokyo.

Already, the Paris Bourse, benefiting from a surge of domestic interest, is one of the hottest markets in the world, at least in terms of percentages.

But how and when this might happen, no one can say. Indeed, it's the government's policy to follow a step-by-step approach to modernizing the Bourse.

Mr. Lebeque said, "Instead of one big bang, we're making a succession of mini-bangs."

XAVIER Dupont, president of the Paris Stockbrokers Association and a partner in the Dupont-Demant brokerage house, added: "We're an old center with our own traditions. By making a gradual progression, we can move forward without creating total upheaval."

The changes, some of which began 10 years ago under the then-conservative government but were accelerated by the Socialists in the early 1980s, include:

- The creation of a second market, or unlisted market, for small and medium French companies. This has proven successful, and includes about 160 stocks, 50 of them added last year alone.
• The development of a market for mutual funds, called SICAVs. The number of funds quoted on the SICAV market has almost quadrupled in the past five years to nearly 500.
• The debut, one year ago, of a futures market known as the MATIF. The first MATIF offering, a long-term government bond, has been very successful. Last October, the volume of activity surpassed that of the London exchange's gilt contract, with more than 325,000 contracts traded.
• Introduction last year of a morning trading session for the 30 most active stocks, which supplements the regular two-hour afternoon session.
• Phase-in of a computer system to allow continuous quotations.

See BOURSE, Page 9

Ericsson Profits Rise 3.6%

Sales Slip 2.4%; U.S. Unit Suffers

By Joris Kaza. STOCKHOLM — L.M. Ericsson, the Swedish telecommunications and data processing group, said Monday that its pretax profit edged up 3.6 percent last year, to 910 million kronor (\$139 million), from 878 million kronor in 1985.

Sales, however, slipped 2.4 percent to 31.7 billion kronor from 32.5 billion kronor in 1985, Ericsson said. Profit per share came to 15 kronor compared with 13 kronor in 1985. All figures are in kronor.

The company said that results were hurt by heavy development costs for telecommunications operations in the United States and by the instability of the Mexican peso.

The group also was charged with the full operating loss from its American subsidiary, Ericsson Inc., where the parent bought out Atlantic Richfield Co.'s 50 percent share.

Ericsson did not say how large the loss was in 1986, but in 1985, its share of losses from the joint venture was 349 million kronor.

All other subsidiaries had operating profits except Ericsson Information Systems, the company said. But even at EIS, the losses narrowed substantially from 1985, when the loss totaled 806 million kronor.

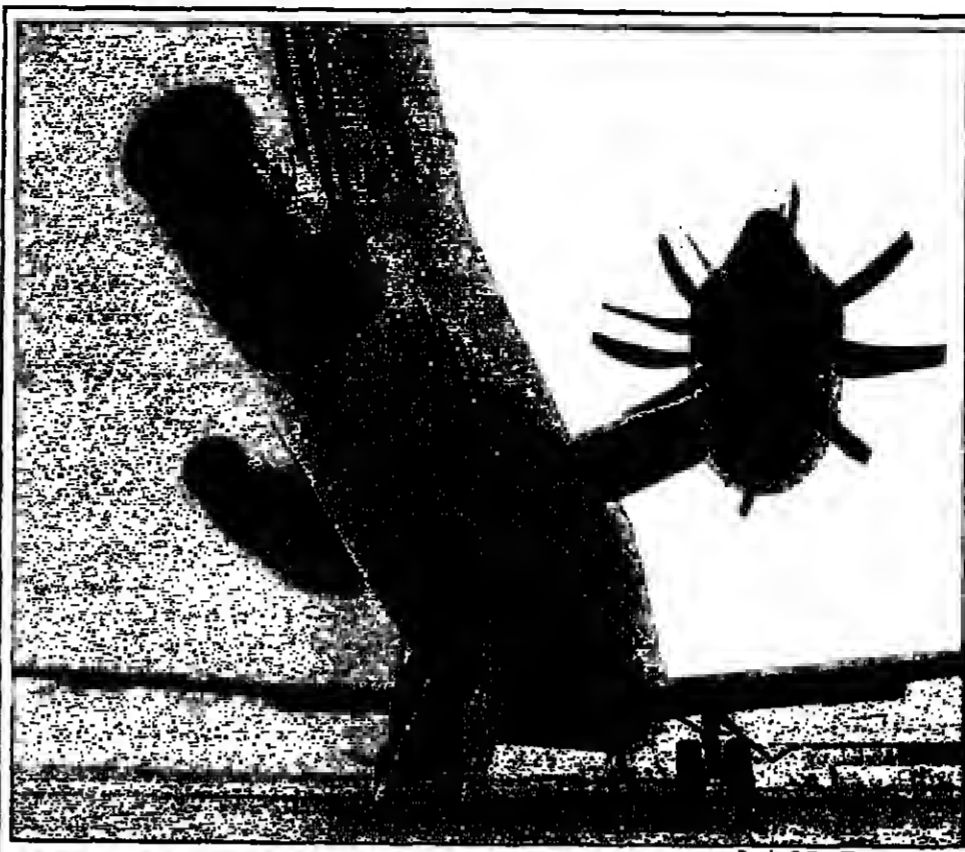
The company added that earnings included about 380 million kronor in capital gains and other nonrecurring income, compared with 333 million kronor in 1985.

Ericsson did not publish fourth-quarter figures, but stated in a preliminary report that "the gradual improvement in income has continued in the fourth quarter, which was better than the corresponding period a year earlier."

Through the first nine months of the year, the company's pretax profit was 368 million kronor, down 32.8 percent from the corresponding period of 1985. According to that figure, pretax profit in the final three months was about 542 million kronor, but that includes the one-time gains.

"It is gratifying to note the positive trend in operating earnings during the latter six months of the year," Bjorn Svedberg, the company's chief financial officer, said.

See ERICSSON, Page 8



A Boeing jet outfitted with one of GE's new fuel-efficient "unducted fan" engines.

Propellers Coming 'Round Again Jet-Engine Builders Look Back for Efficiency, Profits

By Martha M. Hamilton. WASHINGTON — The aircraft engine of the future has propellers on it — again.

The newest jet engines under development have returned to their roots, updating the old-fashioned propeller with new materials and technology to produce a thinner blade with a more aerodynamically efficient shape.

The new twist makes propeller engines more powerful and up to 40 percent more fuel-efficient than the engines that replaced them in the 1960s, their developers say.

Several companies and consortiums, backed by aircraft makers such as Boeing Co. and McDonnell Douglas Corp., are working to perfect propeller engines, hoping to profit from the immense cost savings the engines would mean for airlines.

in California in a modified Boeing 727 and will soon test it on a McDonnell Douglas MD-80. No other company has reached the test-flight stage.

GE's engine, which will cost about \$1.2 billion to develop, represents a high-stakes gamble for the company, which hopes to get the jump on competitors and make it standard on passenger airplanes of the next decade.

The company hopes to have the engine, which it calls the Unducted Fan or UDF, in service by 1992, and Boeing considers it the leading contender to power the 777 aircraft now under development.

GE began development five years ago, when fuel prices were at their peak and carriers were searching for ways to cut costs.

The company has not been deterred by the plunge in oil prices because executives there say they believe the potential savings are great enough — 20 to 40 percent — to encourage sales even if oil prices do not rise markedly.

Those numbers will prove irresistible, GE executives believe, even though the new engines will cost more than ones now in use. In contrast, "A 5 to 10 percent fuel savings doesn't save enough over 15 years" to make it worthwhile for airlines, said Bruce J. Gordon, general manager of the UDF program for GE.

Propeller-driven aircraft were chased from the skies during the 1960s, by larger and more comfortable jets that flew faster and higher.

The idea to return to propellers arose "back in 1981 or 1982," said Brian Rowe, who heads GE's engine business. "We were having a meeting and started talking about what we could do. Because of material changes

See PROPELLERS, Page 8

EC Oil-Tax Plan May Rekindle Feud With U.S.

BRUSSELS — In a move likely to provoke new U.S.-European trade tensions, the executive branch of the European Community proposed on Monday a new tax on vegetable oils and fats.

Frans Andriessen, the EC commissioner for agricultural policy, said he did not foresee a major conflict over the issue.

But a U.S. diplomat, who asked not to be identified, predicted a bitter trade war if the tax were adopted.

"This is like waving a red flag at a bull," he said. "It is one area of extreme sensitivity as far as we are concerned."

The tax proposal is part of the commission's review of fixed prices paid to community farmers for the 1987 marketing year that begins April 1. The proposal must be approved by the 12 member governments. Farm ministers are to begin studying it next Monday.

The measures follow recent EC decisions to reshape radically the EC's farm-price support program, the Common Agricultural Policy, to try to curb the creation of massive stocks of unwanted food.

Although the proposed tax would not apply directly to the imported products from which the oils and fats are made, U.S. exporters say it would reduce demand for oils made from soybeans and would, in effect, allow the EC to increase aid to its own producers.

The proposed tax would be applied to oils and fats, such as margarine and olive oil, made from domestically produced and imported soybeans, sunflower seeds, olives, rapeseed and other oilseeds.

Dennis Blankenship, the Western European director of the American Soybeans Association, predicted that a confrontation over the proposed new tax would be "bigger" than the recently resolved dispute over U.S. demands for compensation for lost grain exports to Spain and Portugal.

Mr. Andriessen said the package as a whole, if adopted without changes by the member governments, would save the community 1 billion ECU this year and 3.4 billion ECU in 1988. The EC budget for 1987 calls for 27.1 billion ECU in overall farm spending.

(AP, Reuters)

EC Will Ask GATT to Probe U.S.-Japan Accord on Chips

BRUSSELS — The European Community Commission said Monday that it would ask the General Agreement on Tariffs and Trade to see whether last July's U.S.-Japan semiconductor agreement complies with its rules on free trade.

It said it would formally ask the Geneva-based forum for trade relations on March 4 to appoint a special panel to examine the accord.

The EC tried unsuccessfully last month to seek an amicable solution to the problem.

"It's the Japanese side of the deal we are concerned about," an EC official, who asked not to be named, said.

Among the objections the EC planned to bring before the panel, he said, is that the accord's text was kept secret and that it could discriminate against EC semiconductor companies trying to penetrate the Japanese market.

The U.S.-Japanese accord was in effect designed to set minimum prices for Japanese semiconductors.

It followed U.S. complaints that Japan was selling semiconductors, the tiny chips of circuitry that are the building blocks of all solid state electronic goods, below production costs.

Two-thirds of semiconductors imported into the EC come from Japan.

The EC objects to the Japanese government monitoring prices of semiconductors exported to Europe as it says this could lead to artificially high export prices.

Currency Rates

Table showing currency rates for various countries including Australia, Canada, France, Germany, Italy, Japan, etc.

Table showing other dollar values for various currencies like Argentine, Australian, British, Canadian, Chinese, Danish, Hong Kong, Indian, Israeli, Japanese, Korean, Mexican, New Zealand, Norwegian, Saudi, Singapore, South African, Swiss, Taiwan, Thai, West German, Yen.

Source: Reuters. Rates applicable to interbank deposits of \$1 million minimum for overnight (S.D.R.). Rates applicable to interbank deposits of \$1 million minimum for overnight (S.D.R.).

Interest Rates

Table showing interest rates for various currencies and terms like 1 month, 3 months, 6 months, 1 year.

Table showing key money market rates for various currencies and terms.

Table showing gold prices in various currencies and terms.

Table showing market closed information for various countries.

Markets Closed. Markets and banks were closed Monday in the United States for a holiday.

Denationalization Lures Wider Base of Investors

LONDON — Millions have been scrambling to buy shares in state companies being sold to the public in several major Western nations, a success hailed by conservative governments as the dawn of a new era of popular capitalism.

But why have ordinary people apparently been so eager to trust the share market boom and stake their savings on the future of, say, Britain's national airline, or a French bank or Japanese telephone utility? And who are the new small investors?

In Britain, where Prime Minister Margaret Thatcher coined the phrase "share-owning democracy," nearly 20 state companies have been sold so far. All offerings were oversubscribed, the latest, for British Airways, by more than 10 times.

A 1986 survey by Dewe Research, a public relations agency, showed that 17 percent of Britons owned shares, compared with 5 percent in 1983, the date of the first big flotation.

The survey, sampling 1,000 people, showed that shareholders had become younger and more evenly spread by social class.

Ian Harwood, an analyst with Warburg Securities, said: "I think shares have a much bigger profile in the population now. Everyone is talking about them."

He added: "It has a knock-on effect. Once one flotation succeeds, it gives impetus to the next. People have been tempted because the pickings have been easy and the pricing has not been too high."

He said household incomes had risen in Britain in recent years, providing the money for the share spree. He added that people were no longer ignorant about how to acquire shares or daunted by the market.

"You just filled in a form in the newspaper and there was plenty of advertising to tell you what to do," Mr. Harwood said.

In France, Jacques Chirac, the rightist prime minister, plans to raise 300 billion francs (about \$49 billion) by selling off 24 government conglomerates. A share issue by the glass company Cie. de Saint-Gobain was 14 times oversubscribed.

"The French have discovered greed," one analyst said.

A Paris academic, André Barbeau, of the Center for Economic Research into Savings, spoke of a public offering of 1.95 million shares in Nippon Telegraph & Telephone in February. The offer was 10 times oversubscribed.

The government plans to release a further 1.95 million shares in NTT later this year and hopes to sell shares in Japan Air Lines.

In West Germany, Chancellor Helmut Kohl's center-right coalition is committed to denationalization but there has been only a lukewarm response to plans to sell a 16 percent stake in Volkswagen AG and 25.6 percent of VEB, the energy and chemicals company.

The older investor is reluctant to place his hard-earned savings in shares," said Lutz Gebser, first vice president at the main Frankfurt branch of Deutsche Bank AG.

"But the younger investor, willing to take risks and often using inherited money, is more likely to put money in shares."

Small investors in West Germany are mostly private entrepreneurs and young professionals such as lawyers, doctors and bankers.

Analysts have questioned the wisdom of using advertising to lure millions of newcomers to stake their savings in shares, often without benefit of expert analysts' advice.

A leading company executive in Paris, who declined to be identified, said, "Many of these new investors know absolutely nothing about how the stock exchange works."

"They don't realize the Bourse can be a dangerous place."

People are no longer ignorant about how to acquire shares or daunted by the market.

— Ian Harwood, Analyst with Warburg Securities

See DENATIONALIZATION, Page 8

Advertisement for Audemars Piguet Perpetual Calendar, featuring a watch image and text: 'THE AUDEMARS PIGUET PERPETUAL CALENDAR. NOTHING CAN EQUAL THE ORIGINAL. Audemars Piguet. La plus prestigieuse des signatures.'

Advertisement for Harry Winston jewelry, featuring text: 'HARRY WINSTON Rare jewels of the world. Present during the month of February their latest collection at the Palace Hotel in Gstaad and the Badrut's Palace in St. Moritz.'

Advertisement for American Business Lists, Inc., featuring text: 'Need a List or Mailing Labels for any Yellow Page Category in U.S.A.? We have it. Complete Catalog by Air Mail, Please Send \$10 U.S. To American Business Lists, Inc. P.O. Box 2547, Dept. 1022, New York, N.Y. 10116-0257.'

BUSINESS ROUNDUP

Toyota, Nissan Exports Up in Month

United Press International TOKYO — Japan's top two automakers reported Monday that their exports in January increased from a year earlier for the first time in seven months. They said brisk sales in Europe helped.

Nissan said its exports to Europe hit a record 66,243 units, up 31.2 percent. "We increased our shipments to Europe to raise inventory [there], which declined last year-end because of voluntary export controls," a Toyota spokesman said.

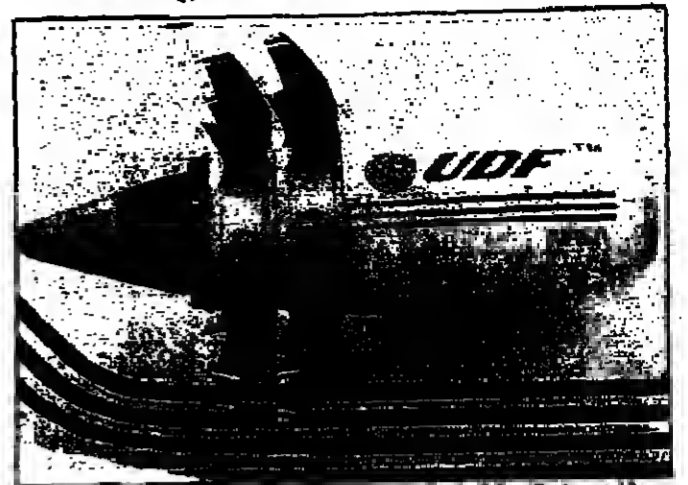
Japanese carmakers began informally restraining exports to Western Europe last year after complaints that they were trying to offset self-imposed quotas to the United States — and the higher prices forced there by the strong yen — by diverting production to European markets.

Bond Retracts Asset Figure; Hong Kong Suspends Shares

HONG KONG — Trading of shares in Alan Bond's Hong Kong company was suspended Monday on the market here, after the Australian businessman conceded that he had made misleading remarks about its net asset value.

PROPELLERS: Jet-Engine Makers Look Backward

(Continued from first finance page) and because of technological changes, maybe we could use some ideas we had thrown out."



GE's engine has counter-rotating fans of eight blades each.

Officials at the U.S. National Aeronautics and Space Administration were less impressed, at least at first, forcing GE and its rivals to prove that the old-fashioned concept was as new as could be.

GE officials claim to be unimpressed by both competitors, but Airbus Industrie, a European aircraft consortium, recently announced that it would offer the SuperFan on its proposed A-340 long-range aircraft.

Asian Commodities

Table with columns for SINGAPORE GOLD FUTURES, SINGAPORE RUBBER, and KUALA LUMPUR PALM OIL. Includes sub-columns for High, Low, Bid, Ask, and Previous.

London Commodities

Table with columns for SUGAR, COPPER, and COCAINE. Includes sub-columns for High, Low, Bid, Ask, and Previous.

Paris Commodities

Table with columns for SUGAR, COFFEE, and ZINC. Includes sub-columns for High, Low, Bid, Ask, and Previous.

London Metals

Table with columns for ALUMINUM, COPPER, and NICKEL. Includes sub-columns for High, Low, Bid, Ask, and Previous.

U.S. Companies' Earnings Improved Slightly in Quarter

By Jonathan P. Hicks NEW YORK — Corporate profits showed modest improvement in the fourth quarter, a result of the weaker dollar and low oil prices.

Hitachi Seeking To Build Market Computers in U.S.

TOKYO — Hitachi Ltd. said Monday that it hoped to build and sell mainframe computers in the United States. It would be the first Japanese company to do so.

Hoechst Sues EC Body Over Pricing Dispute

FRANKFURT — Hoechst AG, the West German chemicals concern, said Monday that it had filed suit against the European Community's executive commission at the European Court of Justice in Luxembourg.

The economic advantages over existing fleets are just astonishing

GE officials claim to be unimpressed by both competitors, but Airbus Industrie, a European aircraft consortium, recently announced that it would offer the SuperFan on its proposed A-340 long-range aircraft.

ERICSSON: Profit Rises 3.6%

(Continued from first finance page) ny's chief executive officer, said, adding, "We are somewhat optimistic about the future."

Large advertisement for the International Herald Tribune featuring a '54% or more off your newsstand price' offer. Includes a table with subscription rates for various countries and currencies.

Floating-Rate Notes

Large table listing floating-rate notes in various currencies including Dollars, Pounds Sterling, Deutsche Marks, E.C.U., and Japanese Yen. Columns include currency, issuer, and rate.

Subscription form for the International Herald Tribune. Includes fields for name, address, city, and telephone number, along with checkboxes for subscription length and payment method.

Reaching More Than a Third of a Million Readers in 164 Countries Around the World.

CURRENCY MARKETS

Dollar Slips in Lackluster Trading

LONDON — The dollar slipped Monday in uninspired European trading, and dealers said they expected it to continue to be relatively placid in the next several days.

They said the U.S. currency would probably trade in a narrow range until Thursday, when revised fourth-quarter figures are released on U.S. gross national product and the U.S. Federal Reserve chairman, Paul A. Volcker, is scheduled to make an important speech.

Trading was quiet for most of Monday because of a market holiday in the United States. The only excitement came early in the morning on a statement by the U.S. Treasury secretary, James A. Baker 3d, that the dollar was still under control.

Dealers said the dollar fell to a midmorning low of 1.8020 Deutsche marks, about 2.5 pence from Friday's London close, as news of Mr. Baker's comments spread.

Some concluded that Mr. Baker was in essence expressing support for a further fall in the dollar.

But the dollar reversed course, rising steadily throughout the day to recover most of its losses. One dealer reported a large order in the afternoon that may have helped the dollar, but most said trading was uneventful.

In London, the dollar closed at 1.8178 DM, down from 1.8285 on Friday; at 153.58 yen, down from 153.58; at 1.5378 Swiss francs, down from 1.5460, and at 6.0550 French francs, down from 6.0850.

London Dollar Rates

Table with columns: Currency, Mon., Fri., and values for Deutsche mark, Swiss franc, and French franc.

The British pound also firmed, to \$1.5208 from \$1.5195.

"The dollar spent most of the day consolidating and we expect it

Baker Says Dollar Not Out of Control

WASHINGTON — The U.S. Treasury secretary, James A. Baker 3d, said Monday in free-fall in foreign-exchange markets and that the recent trading in which it has weakened had been orderly and moderate.

In a television interview, Mr. Baker conceded that, if the dollar fell too fast, it could reignite U.S. inflation. But that had not yet happened, he said. The Treasury secretary also made it clear that there was no dispute between him and Paul A. Volcker, chairman of the Federal Reserve, on how far the dollar should decline.

"Whatever decline has occurred has taken place in an orderly and moderate way save for a couple of periods of instability several weeks ago," Mr. Baker said. "What has happened thus far to the U.S. dollar does not constitute a free-fall."

BOURSE: Trying to Open Up

(Continued from first finance page)

Some six to eight stocks are being done each month, and officials expect continuous quoting on 100 stocks by year-end.

And looking to May or June, Mr. Dupont anticipates the introduction of an options market, to start with trading on six major French companies, still to be named.

Despite this list of achievements, critics warn that the Paris Bourse will never fulfill its aspirations unless officials agree to break the cartel that Paris brokers have in stock trading.

At the Bourse conference, many questions were raised by London brokers and analysts in attendance as to when foreigners would be allowed into the Paris Bourse. One noted that already, there is substantial trading in French shares in London.

Mr. Dupont, however, said that "there is no plan at this time to allow foreign members to enter the Paris market."

In a sense, the French brokers are facing the same situation as other French institutions: They are seeking to become strong internationally without losing their independence in the process.

"Paris brokers have a choice," said Nadir Latif, of Barclays de Zoete Wedd in London. "They can open their doors and perhaps get raped, or they can keep the doors locked and lose the race."

He said brokerages in Paris, many just one-man or two-man operations, "are terribly underfinanced and desperately in need of capital, especially if they're going to get into trading of large blocks of stock."

Roger Hornet, a partner in the London brokerage of James Capel & Co., also warned his French colleagues: "It's about time you opened up your market if you want to save it. Let London and New York come in."

Mr. Hornet was critical of what he called a small-town operating mentality at the Bourse. "Let's have a market where you meet and deal," he said. "Now you just meet and have lunch."

Mr. Hornet predicted the CAC would rise another 25 percent to 30 percent. He based that prediction on the assumption that corporate profits in France could grow by 40 percent or more.

Another factor fueling the market, brokers said, is the government's denationalization program. In the first two public sales, of Cie. de Saint-Gobain in December and Paribas, the investment bank, in January, the offerings were highly oversubscribed as more than 1 million French citizens bought stock for the first time.

Volcker Is Said to Chafe At 2d Billing in Hearings

By Robert D. Hershey Jr. New York Times Service

WASHINGTON — Ever since 1978, when the Full Employment and Balanced Growth Act first required the Federal Reserve to present semiannual reports of its monetary policy goals to Congress, the Fed's chairman has had a near monopoly on members' attention. But this time around, things will be different, much to the annoyance of Paul A. Volcker.



Paul A. Volcker

The Fed chairman is to appear on the second day of the Senate Banking Committee's hearings, Thursday, instead of as the leadoff witness, as has always been the practice.

A panel of private economists will assess the economy and monetary policy on Wednesday, the hearing's first day. The same reversal of positions will occur before the House Banking Committee next week.

The scrap this shift has generated is not just a matter of the chairman's ego. The committees seek to use the private economists, who previously were largely ignored, to brief themselves on the issues and thereby to improve their ability to challenge the formidable Mr. Volcker, who, like Arthur F. Burns before him, has run rings around Congress on higher economic ground.

"It's an attempt to sort of live up to the debate," said the Senate committee's staff director, Kenneth A. McLean. It means the members will be "a little better prepared," he added.

A Fed spokesman, Joseph R. Coyne, declined comment on the situation or about reports that Mr. Volcker takes a dim view of the change.

The chairman, however, is known to have become "quite upset," according to a congressional source, about a related committee proposal to release the printed version of the Fed's report a week or so in advance of its testimony. Mr. Volcker finally persuaded Senator William Proxmire of Wisconsin, the Democrat who is the committee's chairman, to back down.

Mr. Volcker maintains that the document cannot be properly understood apart from his oral testimony, which he regards as an integral part of the central bank's presentation.

The private panelists scheduled on Wednesday are Stephen H. Axilrod, now with Nikko Securities Co. International and formerly a top Fed staffer; Paul Craig Roberts, a supply-side and former Reagan administration Treasury official, and two monetarists, H. Rich Heinemann of Ladenburg, Thalmann & Co. and Allan H. Meltzer, a professor of economics at Carnegie-Mellon University.

A Fed spokesman, Joseph R. Coyne, declined comment on the situation or about reports that Mr. Volcker takes a dim view of the change.

ADVERTISEMENTS

THE NUMORA SECURITIES CO., LTD. (CDR)

Referring to the advertisement in this paper of 22nd February, 1985 the undersigned announces that the original share from 5% free distribution have been received.

As from 22nd February, 1987 one new CDR The Numora Securities Co., Ltd. (CDR) will be available at Koo-Associates N.V., Amsterdam.

After 23rd March, 1987 the equivalent of the CDRs, which have not been claimed by the holders of CDRs, The Numora Securities Co., Ltd. at 1.000 shares, will be sold.

AMSTERDAM DEPOSITORY COMPANY N.V. Amsterdam, 10th February, 1987.

THE EUROMARKETS

U.S. Holiday Puts a Damper on Trading

LONDON — The Eurobond market had a very quiet day Monday, with the U.S. credit markets closed for the George Washington's Birthday holiday, dealers said. Many houses closed early because of a lack of activity, they added.

The dollar straight market was unchanged to 1/4 point lower, but selected areas of the floating-rate-note sector saw some selling during the day with the perpetual area again having the biggest losses, dealers added.

Primary market volume was slack, although Australia did issue a \$100 million straight while Credit Lyonnais issued a yen bond.

The Australia bond pays 10% per cent over 10 years and was priced at 100%.

involved in the issue commented, "Australia is a nice name to see in this sector. The deal isn't a generous one, but it isn't too mean either. It should move quite easily."

It was lead managed by Warburg Securities and quoted by brokers within the 2 percent fees at a discount of 1 1/2 to 1 percent.

Credit Lyonnais issued a 15 billion yen bond paying 5 percent over five years and priced at 102 1/2. It was jointly led by Credit Lyonnais itself and Shearson Lehman Brothers. It ended outside the 1% percent fees at a discount of 2 1/2 percent bid.

The day's only dollar straight was a \$300 million bond for Marubeni International Finance PLC. The five-year issue was guaranteed by Fuji Bank Ltd., pays 7% per cent and was priced at 101 1/4. The lead manager for the issue, which did not trade widely, was Nikko Securities Co. (Europe).

In the secondary markets, the perpetual floating-rate-note sector again had a weak session with at least one market-maker withdrawing from making firm two-way prices, dealers said.

Only 10 to 12 houses are making firm two-way prices in perpetual issues, and these are with wide 25 or 50 basis point spreads and in reduced dealing size. Other houses will make prices only on an indicated basis. Any trades resulting from these quotes will be negotiated.

INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) 16 Feb. 1987

Large table listing various international funds with columns for fund names, currencies, and prices. Includes sections for ALMAL MANAGEMENT, EUROPEAN EQUITY FUNDS, and OTHER FUNDS.

FOREIGN & COLONIAL RESERVE ASSET FUND advertisement with details on investment and contact information for The Numora Securities Co., Ltd.

Chemical Bank Home Loans advertisement: The Best Mortgages for the Best Properties. * higher-value London property * consistently competitive rates. Phone Barrie Lewis-Ranwell on 01-380 5186.

Protect and build your wealth offshore in Jersey advertisement. Includes deposit rates: US Dollar One month 6%, Six month 10 3/4%, Canada Dollar One month Min 05 10 000 7%.

ROYAL TRUST advertisement: Royal Trust is a wholly owned subsidiary of Royal Trustco one of Canada's largest financial institutions with a credit rating comparable with the major Canadian chartered banks.

BUSINESS PROFILE IN THE HT EVERY SATURDAY. INDIVIDUAL CASE HISTORIES OF SUCCESS AND FAILURE WORLDWIDE.

BANCA COMMERCIALE ITALIANA advertisement: Increase of Capital from Lire 630,000,000,000 to Lire 1,050,000,000,000. Pursuant to a Resolution of the Extraordinary General Meeting of Shareholders held in Milan on November 27th 1986...

BOOKS

MOST LIKELY TO SUCCEED: Six Women From Harvard and What Became of Them

By Fran Schumer. 297 pages \$17.95. Random House, 201 East 50th Street, New York, N.Y. 10022.

Reviewed by Michiko Kakutani

THE operating principle of this book is similar to that of "The Group" by Mary McCarthy... Fran Schumer's book the events depicted happened in real life. Well — sort of. As it turns out, "The individuals depicted in the following pages are composite figures, based on my observation of many friends and acquaintances, in college and elsewhere, across a number of years."

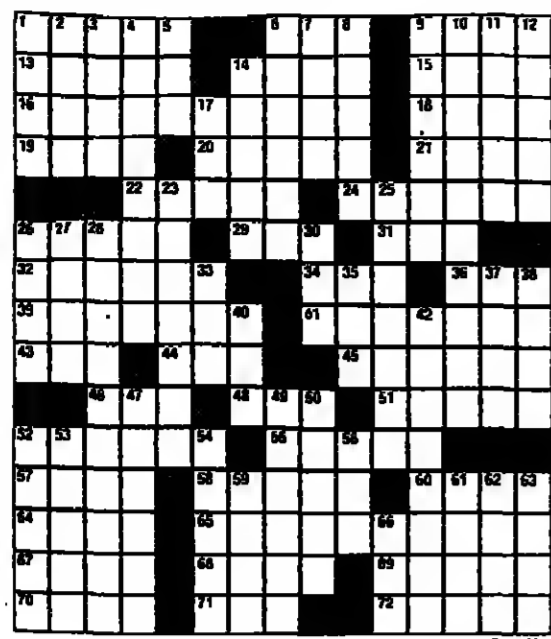
thing, the book lacks the organic unity of a good novel and the narrative — larded with dates and run-of-the-mill quotations — lacks the fully imagined density of real fiction.

To begin with, there are Tess and Eleanor, both of whom get married and become pediatricians. At Radcliffe, Tess is a strict, no-nonsense roommate — "narrow, provincial, almost a human machine."

In Fran Schumer's book the events depicted happened in real life. Well — sort of. As it turns out, "The individuals depicted in the following pages are composite figures, based on my observation of many friends and acquaintances, in college and elsewhere, across a number of years."

As for the inappropriately named Felicity, she succumbs to the pressures of "the fear of success and the worse fear of not having it."

Michiko Kakutani is on the staff of The New York Times.



- ACROSS
1 Forsakes o lover
6 Lingerie item
9 Dull speaker
13 Love dearly
14 Habeas corpus, e.g.
15 Tied
16 Royal flush, e.g.
18 Small coin
19 — Maxwell, memorable hostess
20 Sea birds
21 A Johnson
22 Succinct
24 Something to control
26 Eccentric orbit point
29 Greek letter
31 The Lip of baseball follower
32 Drivers (out)
34 Rage
36 Marry
39 Goes to a higher court
41 La Spezia's locale
43 Spelling
44 Scandinavian victory god
45 Enervated
46 Ham on

PEANUTS



BLONDIE



BEEBLE BAILEY



ANDY CAPP



WIZARD of ID



REX MORGAN



GARFIELD



© New York Times, edited by Eugene Malachuk.

DENNIS THE MENACE



"I HOPE I'M NOT CATCHING A COLD... CHICKEN SOUP MAKES ME SICK."

JUMBLE

Jumble word game section with scrambled words like CABIS, FENTO, MEEDER, BRUBUS and a cartoon of a car.

WEATHER

Weather forecast table for Europe, Asia, Africa, Latin America, North America, Middle East, and Oceania.

World Stock Markets

World Stock Markets table showing closing prices in local currencies for various international markets.

Solution to Previous Puzzle: A grid of letters with a key provided below.

CHESS

By Robert Byrne

IN comparing the usefulness of a bishop and knight, the worst case for the bishop and the best for the knight is where the pawns of the bishop player are inflexibly placed on the same color as the bishop, and the knight has a central outpost.

Just how bad such a bad bishop can be is to be seen in a recent game between the new Brooklyn grandmaster Joel Benjamin and the Queens international master Michael Rohde.

This opening, which Gary Kasparov likes to call a "Nimzo-Queen's Hybrid," has currently been producing fierce titles. The pin-breaking 11... P-K4 becomes the preface to action against the white king with 12... P-KR4.

White has tried 13 P-KR4, but 13... N-N5; 14 P-R, QxP; 15 N-B3, Q-N2; 16 P-R4, R-KN1; 17 P-N3, P-B3 followed by... O-O-O, should keep the white king under pressure.

After 15 P-QR4, it was vital for Benjamin to prevent the opening of the QR file with 15... P-R4. In the struggle for the quicker mating attack, he was the first to open a file, with

really sacrificing anything because 42 KxN? lets Black queen a pawn after 42... P-R7.

After 44... NxP, Benjamin was ahead in material for the first time in the game, although the white bishop was finally playing. The rest of the game was a matter of ending technique.

On 48... K-R3, it would have been a blunder to capture with 49 BxP? because 49... QxP! was a piece.

After 59 KxP, Rohde had leveled the material, but Benjamin's powerful passed QP and his superior piece placement gave him a won game.

It would not have been useful for 57 Q-B8ch, K-E2; 68 Q-K7ch, K-N3; 69 Q-K6ch, K-R4 because there is no perpetual check.

After 67 Q-B3, P-Q7, Benjamin promotes a pawn by force (68 Q-Q1, Q-K6ch; 69 K-N2, Q-K6). So Rohde gave up.

Consequently, he had to give up a pawn with 41 P-R4, PxPch! (Benjamin was not

High Low Chess Chess

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مكتبة الامم المتحدة

SPORTS

With Key Free Agents Unsigned, Baseball Faces an Overcast Spring

By Murray Chass
NEW YORK — Baseball's uncertain spring starts Friday, when half of the 26 major-league teams will hold their first workouts for pitchers and catchers.

team's catching problem, deftly handling his pitchers and producing runs in bunches. Pitcher Ron Guidry could provide a team with a solid starter — and might continue his sequence of turning in a 20-victory season following a below-500 performance.

beginning of spring training wondering where they'll be when the season opens seven weeks from now.

trying to figure out how to be respectable while losing multitudes of games.

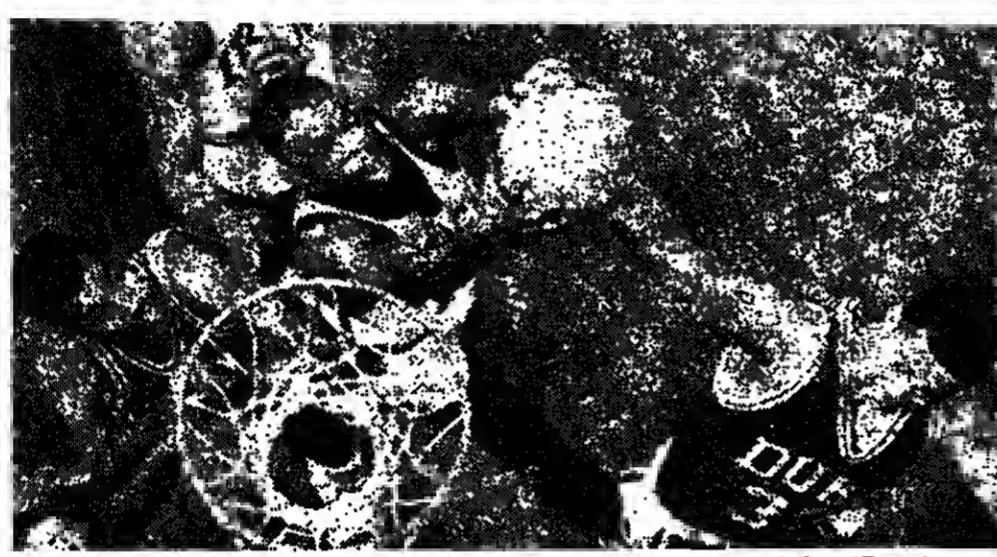
weaker their offense will be without Horner. They already know their bullpen could be weak without Bruce Sutter.

Detroit and Boston will be looking for catchers to replace Parrish and Gedman, respectively, while the Tigers also will continue to try to re-sign Darrell Evans.

Astros, the right elbow of Dave Stieb will be downright critical to the Toronto Blue Jays, who can't compete for the American League East title without a sound Stieb.

Notre Dame Upsets Duke

United Press International
SOUTH BEND, Indiana — By playing well on three successive Sundays, Notre Dame may have secured that on Sunday, March 8, it will receive a bid to the National Collegiate Athletic Association basketball tournament.



Donald Royal, outmuscled Duke's John Smith (33) for a rebound in Notre Dame's 70-66 victory.

On Feb. 1, Notre Dame beat then top-rated North Carolina, and a week later lost narrowly to No. 17 Kansas.

overtime scoring on a Billy King basket, Fredrick responded with a 17-foot jumper. Fredrick put Notre Dame ahead with a pair of free throws with 1:04 left.

week that Joe Fredrick was going to be the guy to come off the bench and score.

Johnson scored 17 of his 26 points in the second half, sparking Michigan State. The Wolverines have lost three straight Big Ten road games.

Swedish High Jumper Comes Up a Bit Short in U.S.

By Frank Litsky
NEW YORK — At 11 A.M., in the lobby of the Sheraton Meadows Hotel across Route 3 from the Byrnes Meadows Arena, Patrik Sjoberg sipped from a bottle of beer and considered the question.



Patrik Sjoberg, the world indoor record holder, competing at the U.S. Olympic Invitational.

Still, Sjoberg (pronounced ZYOH-ber) commanded the attention he always does. To start with, there is his size — 6 feet 6 1/2 inches and 183 pounds (83 kilograms), with straight blond hair to his shoulders.

Sjoberg jumped 7-9 1/4 and almost made 7-11 1/4. Last Thursday, in Madrid, it was the same — a clearance at 7-9 1/4 and an ever-so-close miss at 7-11 1/4.

SPORTS BRIEFS

Burns Takes Williams Golf by 4 Shots

LA JOLLA, California (AP) — George Burns recorded two eagles Sunday en route to a four-stroke victory in the Andy Williams Open golf tournament.

Burns took the lead by sinking a 30-foot (9.14-meter) putt for an eagle 3 on No. 13 and solidified it by holing a 9-iron approach for an eagle 2 on the 15th.

Closing with a 7-under-par 65 on the Torrey Pines South course, he had a total of 266, the lowest 72-hole score on the tour since Larry Nelson won the 1984 Walt Disney World Open with the same score.

Craig Stadler was deprived of a share of second place when, a day later, he was disqualified for failing to assess a penalty against himself for kneeling on a towel to play a third-round shot from beneath a small tree.

A viewer who saw a clip of that shot during Sunday's telecast called PGA officials to question its legality. Stadler was disqualified under the rule prohibiting a player from improving his stance; his closing 68 was put him in a three-way tie for second with Bobby Wadkins (69) and J.C. Snead (71).

Soviet Woman Sets 600-Meter Record

MOSCOW (UPI) — Lyobov Kiryukhina of the Soviet Union set a world indoor record time of 1 minute, 25.46 seconds for the women's 600 meters at the Winter Cup track and field meet here Sunday. Tass reported.

Kiryukhina improved on her own mark of 1:26.41, set in January, the news agency said.

Elliott Wins His Second Daytona 500

DAYTONA BEACH, Fla. (AP) — Bill Elliott held off Benny Parsons Sunday to win his second Daytona 500 after defending champion Geoff Bodine gambled and ran out of gas three laps from the end at Daytona International Speedway.

Elliott, the 1985 winner, outmuscled the field most of the day but had to watch and wait in the last 13 laps as Bodine took a calculated risk by trying to squeeze 45 laps from a nearly empty gas tank.

Bodine was about 20 seconds in the lead when his Chevrolet sputtered and quit just after he had passed the pit entrance. Bodine rolled slowly around the 2.5-mile (4.02-kilometer) track while Elliott's Thunderbird and the rest of the lead cars roared past.

Averaging 176.263 mph and leading for a total of 108 of the 200 laps, Elliott crossed the line six-tenths of a second ahead of Parsons. Seventime Daytona winner Richard Petty was third, followed by Buddy Baker, Dale Earnhardt, Bobby Allison, Ken Schrader and Darrell Waltrip.

SCOREBOARD

Table with columns for Basketball, Hockey, and Selected U.S. College Conference Standings. Includes sub-sections for Atlantic Coast Conference, Big Ten Conference, etc.

U.S. College Results

Table listing U.S. College Results for various sports including basketball, football, and tennis.

NBA Standings

Table showing NBA Standings for Eastern Conference and Western Conference.

Tennis

Table listing Tennis results for Men's and Women's tournaments.

Transition

Table listing Transition results for Baseball, Basketball, Football, and Golf.

Golf

Table listing Golf results for various tournaments.

INTERNATIONAL CLASSIFIED

Large advertisement for International Classified services, including Escort & Guides, Mayfair Club, Caprice-Ny, Zurich, Geneva, and others.

